

AMSTED INDUSTRIES

INCORPORATED

44TH FLOOR - BOULEVARD TOWERS SOUTH
205 NORTH MICHIGAN AVENUE • CHICAGO, ILLINOIS • 60601

LAW DEPARTMENT

DIRECT DIAL NUMBER

(312) 819-8482

FACSIMILE (312) 819-8484

December 23, 1998

Mr. Ken Bardle
U.S. EPA Region V
HRE-8J
77 W. Jackson Blvd.
Chicago, IL 60604

RE: Letter for Chief Financial Officer
to Demonstrate Liability Coverage
American Steel Foundries
Division of AMSTED Industries Incorporated
Smith Township Landfill
EPA I.D.# OHD 017497587

Dear Mr. Bardle:

Enclosed is a December 17, 1998 letter signed by Mr. G.B. Montgomery whereby AMSTED Industries Incorporated is demonstrating financial responsibility for liability coverage and closure and post-closure care for the subject owned facility. Also enclosed is the certifying letter from Price Waterhouse, AMSTED's independent auditor.

This information is being submitted as required under the consent decree in U.S. v. AMSTED, civil action C87-1284A, Section D., paragraph 4. This information has also been submitted to the USEPA Region V RCRA Enforcement Branch and the Ohio EPA, Division of Solid and Hazardous Waste offices in Columbus and Twinsburg, Ohio.

Please address all inquiries in this matter to the undersigned.

Sincerely,



Edward J. Brosius
Assistant General Counsel
& Assistant Secretary

EJB/rjs
Enclosure
cc: P.F. Fischer
FinResp\ASFAllia.104

Amsted
INDUSTRIES

AMSTED INDUSTRIES

INCORPORATED

44TH FLOOR • BOULEVARD TOWERS SOUTH
205 NORTH MICHIGAN AVENUE • CHICAGO, ILLINOIS • 60601

LAW DEPARTMENT

DIRECT DIAL NUMBER

(312) 819-8409

FACSIMILE (312) 819-8484

December 17, 1998

Director of the Ohio
Environmental Protection Agency
P.O. Box 1049
1800 Watermark Drive
Columbus, Ohio 43266-0149

RE: Letter for Chief Financial Officer
to Demonstrate Liability and Closure/Post Closure Coverage
American Steel Foundries
Division of AMSTED Industries Incorporated

American Steel Foundries Sebring Landfill
Lake Park Boulevard and Heacock Road
Smith Township, Mahoning County, Ohio
EPA I.D. # OHD 017497587

Dear Sir:

I am the chief financial officer of AMSTED Industries Incorporated; 205 North Michigan Avenue; Chicago, Illinois 60601. This letter is in support of the use of the financial test to demonstrate financial responsibility for liability coverage and closure care as specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code.

The firm identified above is the owner or operator of the following facilities for which liability coverage for both sudden and nonsudden accidental occurrences is being demonstrated through the financial test specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code:

Proposed Mount Athos Landfill
Griffin Pipe Products Company
Adams Street
P.O. Box 740
Lynchburg, VA 24505

Amsted
INDUSTRIES

Director of the Ohio
Environmental Protection Agency
December 17, 1998
Page 2

American Steel Foundries Sebring Landfill
Lake Park Boulevard and Heacock Road
Smith Township, Mahoning County, Ohio
EPA I.D. # OHD 017497587

Diamond Chain Company
402 Kentucky Avenue
Indianapolis, IN 46207
EPA I.D. # IND 006067880

Griffin Pipe Products Company
Adams Street-Upper Basin
Lynchburg, VA 24501
EPA I.D. # VAD 065417008

Griffin Pipe Products Company
1100 West Front Street
Florence, NJ 08518
EPA I.D. # NJD 003951985

Griffin Wheel Company
7111 Griffin Road
Kansas City, KS 66111
Industrial Waste Landfill Permit No. 235

The firm identified above guarantees, through the guarantee specified in rules 3745-55-40 through 3745-55-51 and 3745-66-40 through 3745-66-48 of the Administrative Code, liability coverage for both sudden and nonsudden accidental occurrences at the following facilities owned or operated by the following: The firm identified above is the direct or higher-tier parent corporation of the owner or operator: None

1. The firm identified above owns or operates the following facilities for which financial assurance for closure or post-closure care or liability coverage is demonstrated through the financial test specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code. The current closure and/or post-closure cost estimate covered by the test are shown for each facility:

Mount Athos Closure Cost	\$ 2,232,490
Mount Athos Post-Closure Cost	\$ 705,032
ASF Sebring Closure Cost	\$ 1,830,285

ASF Sebring Post-Closure Cost	\$ 378,030
DC Indianapolis Closure Cost	\$ 19,000
GPP Lynchburg Closure Cost	\$ 106,054
GWC Kansas City Closure Cost	\$ 407,880
GWC Kansas City Post-Closure Cost	\$ 432,600

2. The firm identified above guarantees, through the guarantee specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code, the closure and post-closure care or liability coverage of the following facilities owned or operated by the guaranteed party. The current cost estimates for the closure or post-closure so guaranteed are shown for each facility: None

3. The firm identified above is demonstrating financial assurance for the closure or post-closure care of the following facilities through the use of a test equivalent or substantially equivalent to the financial test specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 and 3745-66-48 of the Administrative Code. The current closure and/or post-closure cost estimates covered by such a test are shown for each facility: None

4. The firm identified above owns or operates the following hazardous waste management facilities for which financial assurance for closure or, if a disposal facility, post-closure care, is not demonstrated to the director through the financial test or any other financial assurance mechanisms specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code. The current closure and/or post-closure cost estimates not covered by such financial assurance are shown for each facility: None

5. This firm is the owner or operator of the following UIC facilities for which financial assurance for plugging and abandonment is required under Chapter 3745-34 of the Administrative Code. The current closure cost estimates as required by Chapters 3745-34, 3745-55 and 3745-66 of the Administrative Code are shown for each facility: None

This firm is not required to file a Form 10K with the securities and exchange commission (SEC) for the latest fiscal year.

The fiscal year of this firm ends on September 30. The figures for the following items marked with an asterisk are derived from the firm's independently audited, year-end financial statements for the latest completed fiscal year, ended September 30, 1998.

Part B. Closure and Post-Closure Care and Liability Coverage

1. Sum of current closure and post-closure cost estimates (total of all cost estimates listed above). \$ 6,111,371

- | | | |
|------|---|-----------------------|
| 2. | Amount of annual aggregate liability coverage to be demonstrated. | <u>\$ 8,000,000</u> |
| 3. | Sum of lines 1 and 2. | <u>\$ 14,111,371</u> |
| *4. | Total liabilities (if any portion of your closure or post-closure cost estimates is included in your total liabilities, you may deduct that portion from this line and add that amount to lines 5 and 6). | <u>\$446,911,000</u> |
| *5. | Tangible net worth. | <u>\$363,333,000</u> |
| *6. | Net worth. | <u>\$369,498,000</u> |
| *7. | Current assets. | <u>\$378,153,000</u> |
| *8. | Current liabilities. | <u>\$168,525,000</u> |
| 9. | Net working capital (line 7 minus line 8). | <u>\$209,628,000</u> |
| *10. | The sum of net income plus depreciation, depletion, and amortization. | <u>\$ 114,511,000</u> |
| *11. | Total assets in U.S. (required only if less than 90% of assets are located in the U.S.). | |
| 12. | Is line 5 at least \$10 million? | <u>YES</u> |
| 13. | Is line 5 at least 6 times line 3? | <u>YES</u> |
| 14. | Is line 9 at least 6 times line 3? | <u>YES</u> |
| *15. | Are at least 90% of assets located in the U.S. If not, complete line 16. | |
- YES
- | | | |
|-----|-------------------------------------|--|
| 16. | Is line 11 at least 6 times line 3? | |
|-----|-------------------------------------|--|

Director of the Ohio
Environmental Protection Agency
December 17, 1998
Page 5

NEED TWO OF THREE

17. Is line 4 divided by line 6 less than 2.0? YES
18. Is line 10 divided by line 4 greater than 0.1? YES
19. Is line 7 divided by line 8 greater than 1.5? YES

I hereby certify that the wording of this letter is identical to the wording specified in paragraph (G) of rule 3745-55-51 of the Administrative Code as such regulations were constituted on the date shown immediately below.



Gary B. Montgomery
Vice President

12-17-98

Date

AMSTED INDUSTRIES

INCORPORATED

44TH FLOOR - BOULEVARD TOWERS SOUTH
205 NORTH MICHIGAN AVENUE • CHICAGO, ILLINOIS • 60601

LAW DEPARTMENT

DIRECT DIAL NUMBER

(312) 819-8482

FACSIMILE (312) 819-8484

December 17, 1997

Mr. Ken Bardle
U.S. EPA Region V
HRE-8J
77 W. Jackson Blvd.
Chicago, IL 60604

RE: Letter for Chief Financial Officer
to Demonstrate Liability Coverage
American Steel Foundries
Division of AMSTED Industries Incorporated
Smith Township Landfill
EPA I.D.# OHD 017497587

Dear Mr. Bardle:

Enclosed is a December 10, 1997 letter signed by Mr. G.B. Montgomery whereby AMSTED Industries Incorporated is demonstrating financial responsibility for liability coverage and closure and post-closure care for the subject owned facility. Also enclosed is the certifying letter from Price Waterhouse, AMSTED's independent auditor.

This information is being submitted as required under the consent decree in U.S. v. AMSTED, civil action C87-1284A, Section D., paragraph 4. This information has also been submitted to the USEPA Region V RCRA Enforcement Branch and the Ohio EPA, Division of Solid and Hazardous Waste offices in Columbus and Twinsburg, Ohio.

Please address all inquiries in this matter to the undersigned.

Sincerely,



Edward J. Brosius
Assistant General Counsel
& Assistant Secretary

EJB/rjs
Enclosure
cc: B. Lamson
FinResp\ASFAllia.104

AMSTED INDUSTRIES

INCORPORATED

44TH FLOOR • BOULEVARD TOWERS SOUTH
205 NORTH MICHIGAN AVENUE • CHICAGO, ILLINOIS • 60601

LAW DEPARTMENT

DIRECT DIAL NUMBER

(312) 819-8409

FACSIMILE (312) 819-8484

December 10, 1997

Director of the Ohio
Environmental Protection Agency
P.O. Box 1049
1800 Watermark Drive
Columbus, Ohio 43266-0149

RE: Letter for Chief Financial Officer
to Demonstrate Liability and Closure/Post Closure Coverage
American Steel Foundries
Division of AMSTED Industries Incorporated

American Steel Foundries Sebring Landfill
Lake Park Boulevard and Heacock Road
Smith Township, Mahoning County, Ohio
EPA I.D. # OHD 017497587

American Steel Foundries
Division of AMSTED Industries Incorporated
1001 East Broadway
Alliance, Ohio 44601
EPA I.D. # OHD 981090418

Dear Sir:

I am the chief financial officer of AMSTED Industries Incorporated; 205 North Michigan Avenue; Chicago, Illinois 60601. This letter is in support of the use of the financial test to demonstrate financial responsibility for liability coverage and closure care as specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code.

The firm identified above is the owner or operator of the following facilities for which liability coverage for both sudden and nonsudden accidental occurrences is being demonstrated through the financial test specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code:

Director of Ohio
Environmental Protection Agency
December 10, 1997
Page 2

Proposed Mount Athos Landfill
Griffin Pipe Products Company
Adams Street
P.O. Box 740
Lynchburg, VA 24505

American Steel Foundries Sebring Landfill
Lake Park Boulevard and Heacock Road
Smith Township, Mahoning County, Ohio
EPA I.D. # OHD 017497587

American Steel Foundries
1001 East Broadway
Alliance, OH 44601
EPA I.D. # ODH 981090418

Diamond Chain Company
402 Kentucky Avenue
Indianapolis, IN 46207
EPA I.D. # IND 006067880

Griffin Pipe Products Company
Adams Street-Upper Basin
Lynchburg, VA 24501
EPA I.D. # VAD 065417008

Griffin Pipe Products Company
1100 West Front Street
Florence, NJ 08518
EPA I.D. # NJD 003951985

The firm identified above guarantees, through the guarantee specified in rules 3745-55-40 through 3745-55-51 and 3745-66-40 through 3745-66-48 of the Administrative Code, liability coverage for both sudden and nonsudden accidental occurrences at the following facilities owned or operated by the following: The firm identified above is the direct or higher-tier parent corporation of the owner or operator: None

1. The firm identified above owns or operates the following facilities for which financial assurance for closure or post-closure care or liability coverage is demonstrated through the financial test specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code. The current closure and/or post-closure cost estimate covered by the test are shown for each facility:

Mount Athos Closure Cost	\$ 2,167,466
Mount Athos Post-Closure Cost	\$ 684,497
ASF Alliance Areas A & B Closure Cost	\$ 30,780
ASF Sebring Closure Cost	\$ 1,742,000
ASF Sebring Post-Closure Cost	\$ 368,450
DC Indianapolis Closure Cost	\$ 19,000
GPP Lynchburg Closure Cost	\$ 102,965

2. The firm identified above guarantees, through the guarantee specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code, the closure and post-closure care or liability coverage of the following facilities owned or operated by the guaranteed party. The current cost estimates for the closure or post-closure so guaranteed are shown for each facility: None

3. The firm identified above is demonstrating financial assurance for the closure or post-closure care of the following facilities through the use of a test equivalent or substantially equivalent to the financial test specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code. The current closure and/or post-closure cost estimates covered by such a test are shown for each facility: None

4. The firm identified above owns or operates the following hazardous waste management facilities for which financial assurance for closure or, if a disposal facility, post-closure care, is not demonstrated to the director through the financial test or any other financial assurance mechanisms specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code. The current closure and/or post-closure cost estimates not covered by such financial assurance are shown for each facility: None

5. This firm is the owner or operator of the following UIC facilities for which financial assurance for plugging and abandonment is required under Chapter 3745-34 of the Administrative Code. The current closure cost estimates as required by Chapters 3745-34, 3745-55 and 3745-66 of the Administrative Code are shown for each facility: None

This firm is not required to file a Form 10K with the securities and exchange commission (SEC) for the latest fiscal year.

The fiscal year of this firm ends on September 30. The figures for the following items marked with an asterisk are derived from the firm's independently audited, year-end financial statements for the latest completed fiscal year, ended September 30, 1997.

Part B. Closure and Post-Closure Care and Liability Coverage

- | | | |
|------|---|----------------------|
| 1. | Sum of current closure and post-closure cost estimates (total of all cost estimates listed above). | <u>\$ 5,115,158</u> |
| 2. | Amount of annual aggregate liability coverage to be demonstrated. | <u>\$ 8,000,000</u> |
| 3. | Sum of lines 1 and 2. | <u>\$ 13,115,158</u> |
| *4. | Total liabilities (if any portion of your closure or post-closure cost estimates is included in your total liabilities, you may deduct that portion from this line and add that amount to lines 5 and 6). | <u>\$427,718,000</u> |
| *5. | Tangible net worth. | <u>\$371,786,000</u> |
| *6. | Net worth. | <u>\$379,125,000</u> |
| *7. | Current assets. | <u>\$453,134,000</u> |
| *8. | Current liabilities. | <u>\$182,990,000</u> |
| 9. | Net working capital (line 7 minus line 8). | <u>\$270,144,000</u> |
| *10. | The sum of net income plus depreciation, depletion, and amortization. | <u>\$ 83,367,000</u> |
| *11. | Total assets in U.S. (required only if less than 90% of assets are located in the U.S.). | |
| 12. | Is line 5 at least \$10 million? | <u>YES</u> |
| 13. | Is line 5 at least 6 times line 3? | <u>YES</u> |
| 14. | Is line 9 at least 6 times line 3? | <u>YES</u> |
| *15. | Are at least 90% of assets located in the U.S. If not, complete line 16. | <u>YES</u> |

Director of Ohio
Environmental Protection Agency
December 10, 1997
Page 5

16. Is line 11 at least 6 times line 3?

NEED TWO OF THREE

17. Is line 4 divided by line 6 less than 2.0? YES

18. Is line 10 divided by line 4 greater than 0.1? YES

19. Is line 7 divided by line 8 greater than 1.5? YES

I hereby certify that the wording of this letter is identical to the wording specified in paragraph (G) of rule 3745-55-51 of the Administrative Code as such regulations were constituted on the date shown immediately below.



Gary B. Montgomery
Vice President

12/10/97
Date

Price Waterhouse LLP



Report of Independent Accountants

December 10, 1997

To the Board of Directors of
AMSTED Industries Incorporated

We have audited, in accordance with generally accepted auditing standards, the consolidated balance sheet of AMSTED Industries Incorporated (AMSTED) and its subsidiaries as of September 30, 1997 and 1996, and the related consolidated statements of results of operations and of cash flows for each of the three years in the period ended September 30, 1997 (the Financial Statements), and have issued our report thereon dated October 22, 1997.

We were engaged to perform the procedures enumerated below related to the accompanying letter to the Director of the Ohio Environmental Protection Agency, dated December 10, 1997 and signed by Mr. Gary B. Montgomery, AMSTED's Vice President and Chief Financial Officer (the Letter). These procedures, which were agreed to by you, were performed solely to assist you in evaluating the financial data that the Letter specifies as having been derived from AMSTED's Financial Statements.

This agreed-upon procedures engagement was performed in accordance with the standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

We have compared the amounts of current assets (\$453,134,000), current liabilities (\$182,990,000), total liabilities (\$427,718,000) and net worth (\$379,125,000) included in the Letter to the amounts included in the Financial Statements and found them to be in agreement. We have subtracted the amount of intangible assets from the amount of net worth included in the Financial Statements and compared the difference to the amount shown as tangible net worth (\$371,786,000) in the Letter and, allowing for rounding, found it to be in agreement. We have added the amount of net income to the amount of depreciation, depletion and amortization included in the Financial Statements and compared the sum to the amount shown as item 10 in the Letter (\$83,367,000) and found it to be in agreement.

December 10, 1997
Board of Directors of
AMSTED Industries Incorporated
Page 2 of 2



We were not engaged to, and did not, perform an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion on the amounts referred to in the preceding paragraph. Accordingly, we do not express an opinion on any such amounts. Had we performed additional procedures or had we conducted an audit of the information contained in the Letter in accordance with generally accepted auditing standards, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board of Directors and management of AMSTED Industries Incorporated and the Director of the Ohio Environmental Protection Agency and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes.

Pricewaterhouse LLP

AMSTED INDUSTRIES

INCORPORATED

44TH FLOOR - BOULEVARD TOWERS SOUTH
205 NORTH MICHIGAN AVENUE • CHICAGO, ILLINOIS • 60601

LAW DEPARTMENT

DIRECT DIAL NUMBER

(312) 819-8482

FACSIMILE (312) 819-8484

December 20, 1996

Mr. Ken Bardle
U.S. EPA Region V
HRE-8J
77 W. Jackson Blvd.
Chicago, IL 60604

RECEIVED
DEC 23 1996

RE: Letter for Chief Financial Officer
to Demonstrate Liability Coverage
American Steel Foundries
Division of AMSTED Industries Incorporated
Smith Township Landfill
EPA I.D.# OHD 017407587

DIVISION FRONT OFFICE
Waste, Pesticides & Toxics Division
U.S. EPA - REGION 5

Dear Mr. Bardle:

Enclosed is a December 16, 1996 letter signed by Mr. G.B. Montgomery whereby AMSTED Industries Incorporated is demonstrating financial responsibility for liability coverage and closure and post-closure care for the subject owned facility. Also enclosed is the certifying letter from Price Waterhouse, AMSTED's independent auditor.

This information is being submitted as required under the consent decree in U.S. v. AMSTED, civil action C87-1284A, Section D., paragraph 4. Closure of the electric arc furnace baghouse area at the Alliance facility has been completed and approved by the state of Ohio. This information has also been submitted to the USEPA Region V RCRA Enforcement Branch and the Ohio EPA, Division of Solid and Hazardous Waste offices in Columbus and Twinsburg, Ohio.

Please address all inquiries in this matter to the undersigned.

Sincerely,



Edward J. Brosius
Assistant General Counsel
& Assistant Secretary

EJB/rjs
Enclosure
cc: B. Wellman
FinResp\ASFAllia.104

Amsted
INDUSTRIES

AMSTED INDUSTRIES

INCORPORATED

44TH FLOOR - BOULEVARD TOWERS SOUTH
205 NORTH MICHIGAN AVENUE • CHICAGO, ILLINOIS • 60601

LAW DEPARTMENT

DIRECT DIAL NUMBER

(312) 819-8409

FACSIMILE (312) 819-8484

December 16, 1996

Director
Department of Environmental Quality
P.O. Box 1009
Richmond, Virginia 23240-009

RE: Letter from Chief Financial Officer
to Demonstrate Liability Coverage for the
Proposed Mount Athos Landfill
Griffin Pipe Products Co.
Division of AMSTED Industries Incorporated
Adams Street
P.O. Box 740
Lynchburg, Virginia 24505
EPA I.D. No. VAD 065417008

Dear Sir:

I am the chief financial officer of AMSTED Industries Incorporated; 205 North Michigan Avenue; Chicago, Illinois 60601. This letter is in support of the use of the financial test to demonstrate financial responsibility for liability coverage, as specified in Section 3.6 of the Virginia Solid Waste Financial Assurance Regulations.

The owner or operator identified above is the owner or operator of the following facilities for which liability coverage is being demonstrated through the financial test specified in Section 3.6.

Proposed Mount Athos Landfill
Griffin Pipe Products Co.
Adams Street
P.O. Box 740
Lynchburg, Virginia 24505

Director of Ohio
Environmental Protection Agency
December 13, 1996
Page 2

American Steel Foundries Sebring Landfill
Lake Park Boulevard and Heacock Road
Smith Township, Mahoning County, Ohio
EPA I.D.# OHD 017497587

Diamond Chain Company
402 Kentucky Avenue
Indianapolis, IN 46207
EPA I.D.# IND 006067880

Griffin Pipe Products Company
Adams Street-Upper Basin
Lynchburg, VA 24501
EPA I.D.# VAD 065417008

Griffin Pipe Products Company
1100 West Front Street
Florence, NJ 08518
EPA I.D. # NJD 003951985

The firm identified above guarantees, through the guarantee specified in rules 3745-55-40 through 3745-55-51 and 3745-66-40 through 3745-66-48 of the Administrative Code, liability coverage for both sudden and nonsudden accidental occurrences at the following facilities owned or operated by the following: The firm identified above is the direct or higher-tier parent corporation of the owner or operator: None

1. The firm identified above owns or operates the following facilities for which financial assurance for closure or post-closure care or liability coverage is demonstrated through the financial test specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code. The current closure and/or post-closure cost estimate covered by the test are shown for each facility:

Mount Athos Closure Cost	\$ 2,084,102
Mount Athos Post-Closure Cost	\$ 658,170
ASF Sebring Closure Cost	\$ 1,742,000
ASF Sebring Post-Closure Cost	\$ 350,000
DC Indianapolis Closure Cost	\$ 22,000
GPP Lynchburg Closure Cost	\$ -99,005

2. The firm identified above guarantees, through the guarantee specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code, the closure and post-closure care or liability coverage of the following facilities owned or operated

by the guaranteed party. The current cost estimates for the closure or post-closure so guaranteed are shown for each facility: None

3. The firm identified above is demonstrating financial assurance for the closure or post-closure care of the following facilities through the use of a test equivalent or substantially equivalent to the financial test specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 and 3745-66-48 of the Administrative Code. The current closure and/or post-closure cost estimates covered by such a test are shown for each facility: None

4. The firm identified above owns or operates the following hazardous waste management facilities for which financial assurance for closure or, if a disposal facility, post-closure care, is not demonstrated to the director through the financial test or any other financial assurance mechanisms specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code. The current closure and/or post-closure cost estimates not covered by such financial assurance are shown for each facility: None

5. This firm is the owner or operator of the following UIC facilities for which financial assurance for plugging and abandonment is required under Chapter 3745-34 of the Administrative Code. The current closure cost estimates as required by Chapters 3745-34, 3745-55 and 3745-66 of the Administrative Code are shown for each facility: None

This firm is not required to file a Form 10K with the securities and exchange commission (SEC) for the latest fiscal year.

The fiscal year of this firm ends on September 30. The figures for the following items marked with an asterisk are derived from the firm's independently audited, year-end financial statements for the latest completed fiscal year, ended September 30, 1996.

Part B. Closure and Post-Closure Care and Liability Coverage

- | | | |
|-----|---|----------------------|
| 1. | Sum of current closure and post-closure cost estimates (total of all cost estimates listed above). | <u>\$ 4,955,277</u> |
| 2. | Amount of annual aggregate liability coverage to be demonstrated. | <u>\$ 8,000,000</u> |
| 3. | Sum of lines 1 and 2. | <u>\$ 12,955,277</u> |
| *4. | Total liabilities (if any portion of your closure or post-closure cost estimates is included in your total liabilities, you may deduct that portion from this line and add that amount to lines 5 and 6). | <u>\$447,811,000</u> |

*5.	Tangible net worth.	<u>\$351,388,000</u>
*6.	Net worth.	<u>\$359,901,000</u>
*7.	Current assets.	<u>\$481,592,000</u>
*8.	Current liabilities.	<u>\$180,239,000</u>
9.	Net working capital (line 7 minus line 8).	<u>\$301,353,000</u>
*10.	The sum of net income plus depreciation, depletion, and amortization.	<u>\$104,100,000</u>
*11.	Total assets in U.S. (required only if less than 90% of assets are located in the U.S.).	
12.	Is line 5 at least \$10 million?	<u>YES</u>
13.	Is line 5 at least 6 times line 3?	<u>YES</u>
14.	Is line 9 at least 6 times line 3?	<u>YES</u>
*15.	Are at least 90% of assets located in the U.S. If not, complete line 16.	<u>YES</u>
16.	Is line 11 at least 6 times line 3?	

NEED TWO OF THREE

17.	Is line 4 divided by line 6 less than 2.0?	<u>YES</u>
18.	Is line 10 divided by line 4 greater than 0.1?	<u>YES</u>
19.	Is line 7 divided by line 8 greater than 1.5?	<u>YES</u>

Director of Ohio
Environmental Protection Agency
December 13, 1996
Page 5

I hereby certify that the wording of this letter is identical to the wording specified in paragraph (G) of rule 3745-55-51 of the Administrative Code as such regulations were constituted on the date shown immediately below.



Gary B. Montgomery
Vice President

12/14/96

Date

Price Waterhouse LLP



Report of Independent Accountants

December 16, 1996

To the Board of Directors of
AMSTED Industries Incorporated

We have audited, in accordance with generally accepted auditing standards, the consolidated balance sheet of AMSTED Industries Incorporated (AMSTED) and its subsidiaries as of September 30, 1996 and 1995 and the related consolidated statements of results of operations and of cash flows for each of the three years in the period ended September 30, 1996 (the Financial Statements), and have issued our report thereon dated October 23, 1996.

We were engaged to perform the procedures enumerated below related to the accompanying letter to the Director of the Ohio Environmental Protection Agency, dated December 16, 1996 and signed by Mr. Gary B. Montgomery, AMSTED's Vice President and Chief Financial Officer (the Letter). These procedures, which were agreed to by you, were performed solely to assist you in evaluating the financial data that the Letter specifies as having been derived from AMSTED's Financial Statements.

This agreed-upon procedures engagement was performed in accordance with the standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

We have compared the amounts of current assets (\$481,592,000), current liabilities (\$180,239,000), total liabilities (\$447,811,000) and net worth (\$359,901,000) included in the Letter to the amounts included in the Financial Statements and found them to be in agreement. We have subtracted the amount of intangible assets from the amount of net worth included in the Financial Statements and compared the difference to the amount shown as tangible net worth (\$351,388,000) in the Letter and, allowing for rounding, found it to be in agreement. We have added the amount of net income to the amount of depreciation, depletion and amortization included in the Financial Statements and compared the sum to the amount shown as item 10 in the Letter (\$104,100,000) and found it to be in agreement.

December 16, 1996
Board of Directors of
AMSTED Industries Incorporated
Page 2 of 2



We were not engaged to, and did not, perform an audit made in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion on the amounts referred to in the preceding paragraph. Accordingly, we do not express an opinion on any such amounts. Had we performed additional procedures or had we conducted an audit of the information contained in the Letter in accordance with generally accepted auditing standards, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board of Directors and management of AMSTED Industries Incorporated and the Director of the Ohio Environmental Protection Agency and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes.

Pricewaterhouse LLP

AMSTED INDUSTRIES

INCORPORATED

44TH FLOOR • BOULEVARD TOWERS SOUTH
205 NORTH MICHIGAN AVENUE • CHICAGO, ILLINOIS • 60601

LAW DEPARTMENT

DIRECT DIAL NUMBER

(312) 819-8482

TELECOPIER (312) 819-8484

December 21, 1995

Mr. Ken Bardle
U.S. EPA Region V
HRE-8J
77 W. Jackson Blvd.
Chicago, IL 60604

RE: Letter for Chief Financial Officer
to Demonstrate Liability Coverage
American Steel Foundries
Division of AMSTED Industries Incorporated
1001 East Broadway
Alliance OH 44601
EPA I.D.# OHD 017497587
EPA I.D.# OHD 981090418

Dear Mr. Bardle:

Enclosed is a December 14, 1995 letter signed by Mr. G.B. Montgomery whereby AMSTED Industries Incorporated is demonstrating financial responsibility for liability coverage and closure and post-closure care for the subject owned facilities. Also enclosed is the certifying letter from Price Waterhouse, AMSTED's independent auditor.

This information is being submitted as required under the consent decree in U.S. v. AMSTED, civil action C87-1284A, Section C., paragraph 6 and Section D., paragraph 4. This information has also been submitted to the USEPA Region V RCRA Enforcement Branch and the Ohio EPA, Division of Solid and Hazardous Waste offices in Columbus and Twinsburg, Ohio.

Please address all inquiries in this matter to the undersigned. A December 20, 1994 transmittal letter to U.S. EPA was returned to our office unopened.

Sincerely,



Edward J. Brosius
Assistant General Counsel
& Assistant Secretary

EJB/mlg
Enclosure
cc: B. Wellman
FinResp\ASFAllia.104

Amsted
INDUSTRIES

AMSTED INDUSTRIES

INCORPORATED

44TH FLOOR - BOULEVARD TOWERS SOUTH
205 NORTH MICHIGAN AVENUE • CHICAGO, ILLINOIS • 60601

LAW DEPARTMENT

DIRECT DIAL NUMBER

(312) 819-8409

TELECOPIER (312) 819-8484

December 14, 1995

Director of the Ohio
Environmental Protection Agency
P.O. Box 1049
1800 Watermark Drive
Columbus, Ohio 43266-0149

RE: Letter for Chief Financial Officer
to Demonstrate Liability and Closure/Post Closure Coverage
American Steel Foundries
Division of AMSTED Industries Incorporated
1001 East Broadway
Alliance, Ohio 44601
EPA I.D. #OHD 981090418 and

American Steel Foundries Sebring Landfill
Lake Park Boulevard and Heacock Road
Smith Township, Mahoning County, Ohio
EPA I.D. # OHD 017497587

Dear Sir:

I am the chief financial officer of AMSTED Industries Incorporated; 205 North Michigan Avenue; Chicago, Illinois 60601. This letter is in support of the use of the financial test to demonstrate financial responsibility for liability coverage and closure care as specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code.

The firm identified above is the owner or operator of the following facilities for which liability coverage for both sudden and nonsudden accidental occurrences is being demonstrated through the financial test specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code:

Proposed Mount Athos Landfill
Griffin Pipe Products Company
Adams Street
P.O. Box 740
Lynchburg, VA 24505

Amsted
INDUSTRIES

American Steel Foundries
1001 East Broadway
Alliance, Ohio 44601
EPA I.D.# OHD 981090418

American Steel Foundries Sebring Landfill
Lake Park Boulevard and Heacock Road
Smith Township, Mahoning County, Ohio
EPA I.D.# OHD 017497587

Diamond Chain Company
402 Kentucky Avenue
Indianapolis, IN 46207
EPA I.D.# IND 006067880

Griffin Pipe Products Company
Adams Street-Upper Basin
Lynchburg, VA 24501
EPA I.D.# VAD 065417008

Griffin Pipe Products Company
1100 West Front Street
Florence, NJ 08518
EPA I.D. # NJD 003951985

The firm identified above guarantees, through the guarantee specified in rules 3745-55-40 through 3745-55-51 and 3745-66-40 through 3745-66-48 of the Administrative Code, liability coverage for both sudden and nonsudden accidental occurrences at the following facilities owned or operated by the following: The firm identified above is the direct or higher-tier parent corporation of the owner or operator: None

1. The firm identified above owns or operates the following facilities for which financial assurance for closure or post-closure care or liability coverage is demonstrated through the financial test specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code. The current closure and/or post-closure cost estimate covered by the test are shown for each facility:

Mount Athos Closure Cost	\$ 2,023,400
Mount Athos Post-Closure Cost	\$ 639,000
ASF Sebring Closure Cost	\$ 1,694,055
ASF Sebring Post-Closure Cost	\$ 350,000

ASF Alliance Areas A & B		
Closure Cost	\$	30,000
DC Indianapolis Closure Cost	\$	61,000
GPP Lynchburg Closure Cost	\$	5,591

2. The firm identified above guarantees, through the guarantee specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code, the closure and post-closure care or liability coverage of the following facilities owned or operated by the guaranteed party. The current cost estimates for the closure or post-closure so guaranteed are shown for each facility: None

3. The firm identified above is demonstrating financial assurance for the closure or post-closure care of the following facilities through the use of a test equivalent or substantially equivalent to the financial test specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 and 3745-66-48 of the Administrative Code. The current closure and/or post-closure cost estimates covered by such a test are shown for each facility: None

4. The firm identified above owns or operates the following hazardous waste management facilities for which financial assurance for closure or, if a disposal facility, post-closure care, is not demonstrated to the director through the financial test or any other financial assurance mechanisms specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code. The current closure and/or post-closure cost estimates not covered by such financial assurance are shown for each facility: None

5. This firm is the owner or operator of the following UIC facilities for which financial assurance for plugging and abandonment is required under Chapter 3745-34 of the Administrative Code. The current closure cost estimates as required by Chapters 3745-34, 3745-55 and 3745-66 of the Administrative Code are shown for each facility: None

This firm is not required to file a Form 10K with the securities and exchange commission (SEC) for the latest fiscal year.

The fiscal year of this firm ends on September 30. The figures for the following items marked with an asterisk are derived from the firm's independently audited, year-end financial statements for the latest completed fiscal year, ended September 30, 1995.

Part B. Closure and Post-Closure Care and Liability Coverage

1. Sum of current closure and post-closure cost estimates (total of all cost estimates listed above). \$ 4,803,046

2.	Amount of annual aggregate liability coverage to be demonstrated.	<u>\$ 8,000,000</u>
3.	Sum of lines 1 and 2.	<u>\$ 12,803,046</u>
*4.	Total liabilities (if any portion of your closure or post-closure cost estimates is included in your total liabilities, you may deduct that portion from this line and add that amount to lines 5 and 6).	<u>\$437,429,000</u>
*5.	Tangible net worth.	<u>\$294,076,000</u>
*6.	Net worth.	<u>\$303,763,000</u>
*7.	Current assets.	<u>\$433,361,000</u>
*8.	Current liabilities.	<u>\$166,769,000</u>
9.	Net working capital (line 7 minus line 8).	<u>\$266,592,000</u>
*10.	The sum of net income plus depreciation, depletion, and amortization.	<u>\$82,847,000</u>
*11.	Total assets in U.S. (required only if less than 90% of assets are located in the U.S.).	<u>\$663,656,000</u>
12.	Is line 5 at least \$10 million?	<u>YES</u>
13.	Is line 5 at least 6 times line 3?	<u>YES</u>
14.	Is line 9 at least 6 times line 3?	<u>YES</u>
*15.	Are at least 90% of assets located in the U.S. If not, complete line 16.	<u>NO</u>
16.	Is line 11 at least 6 times line 3?	<u>YES</u>

Director of Ohio
Environmental Protection Agency
December 14, 1995
Page 5

NEED TWO OF THREE

17. Is line 4 divided by line 6 less than 2.0? YES
18. Is line 10 divided by line 4 greater than 0.1? YES
19. Is line 7 divided by line 8 greater than 1.5? YES

I hereby certify that the wording of this letter is identical to the wording specified in paragraph (G) of rule 3745-55-51 of the Administrative Code as such regulations were constituted on the date shown immediately below.



Gary B. Montgomery
Vice President

12/14/95

Date

Price Waterhouse LLP



Report of Independent Accountants

December 20, 1995

To the Board of Directors of
AMSTED Industries Incorporated

We have audited, in accordance with generally accepted auditing standards, the consolidated balance sheet of AMSTED Industries Incorporated (AMSTED) and its subsidiaries as of September 30, 1995 and 1994 and the related consolidated statements of results of operations and of cash flows for each of the three years in the period ended September 30, 1995 (the Financial Statements), and have issued our report thereon dated October 25, 1995.

At your request, we have compared the amounts of current assets (\$433,361,000), current liabilities (\$166,769,000), total liabilities (\$437,429,000), net worth (\$303,763,000) and total assets in the U.S. (\$663,656,000) included in the letter to the Director of the Ohio Environmental Protection Agency, dated December 14, 1995 and signed by Mr. Gary B. Montgomery, AMSTED's Vice President and Chief Financial Officer (the Letter), to the amounts included in the Financial Statements and found them to be in agreement. We have subtracted the amount of intangible assets from the amount of net worth included in the Financial Statements and compared the difference to the amount shown as tangible net worth (\$294,076,000) in the Letter and found it to be in agreement. We have added the amount of net income to the amount of depreciation, depletion and amortization included in the Financial Statements and compared the sum to the amounts shown as item 10 in the Letter (\$82,847,000) and found it to be in agreement.

Because the above procedures do not constitute an audit made in accordance with generally accepted auditing standards, we do not express an opinion on any of the amounts referred to above. Had we performed additional procedures or had we conducted an audit of the information contained in the Letter in accordance with generally accepted auditing standards, matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board of Directors and management of AMSTED Industries Incorporated and the Director of the Ohio Environmental Protection Agency.

Price Waterhouse LLP

AMSTED INDUSTRIES

INCORPORATED

44TH FLOOR • BOULEVARD TOWERS SOUTH
205 NORTH MICHIGAN AVENUE • CHICAGO, ILLINOIS • 60601

LAW DEPARTMENT

DIRECT DIAL NUMBER

(312) 819-8482

TELECOPIER (312) 819-8484

February 14, 1995

Mr. Ken Bardle
U.S. EPA Region V
HRE-8J
77 W. Jackson Blvd.
Chicago, IL 60604

RECEIVED
FEB 15 1995

OFFICE OF RCRA
WASTE MANAGEMENT DIVISION
EPA, REGION V

RE: Letter for Chief Financial Officer
to Demonstrate Liability Coverage
American Steel Foundries
Division of AMSTED Industries Incorporated
1001 East Broadway
Alliance OH 44601
EPA I.D.# OHD 017497587
EPA I.D.# OHD 981090418

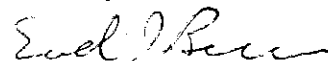
Dear Mr. Bardle:

Enclosed is a December 15, 1994 letter signed by Mr. G.B. Montgomery whereby AMSTED Industries Incorporated is demonstrating financial responsibility for liability coverage and closure and post-closure care for the subject owned facilities. Also, enclosed is the certifying letter from Price Waterhouse, AMSTED's independent auditor, and the printed copy of AMSTED's fiscal 1994 annual report.

This information is being submitted as required under the consent decree in U.S. v. AMSTED, civil action C87-1284A, Section C., paragraph 6 and Section D., paragraph 4. This information has also been submitted to the USEPA Region V RCRA Enforcement Branch and the Ohio EPA, Division of Solid and Hazardous Waste offices in Columbus and Twinsburg, Ohio.

Please address all inquiries in this matter to the undersigned. A December 20, 1994 transmittal letter to U.S. EPA was returned to our office unopened.

Sincerely,



Edward J. Brosius
Assistant General Counsel
& Assistant Secretary

EJB/kda

FinResp\ASFAllia.104

Enclosures

cc: B. Wellman

Amsted
INDUSTRIES

Price Waterhouse LLP



December 20, 1994

To the Board of Directors of
AMSTED Industries Incorporated

We have audited, in accordance with generally accepted auditing standards, the consolidated statement of financial position of AMSTED Industries Incorporated (AMSTED) and its subsidiaries as of September 30, 1994 and the related consolidated statements of results of operations and of cash flows for the fiscal year then ended, and have issued our report thereon dated October 19, 1994.

At your request, we have compared the amounts of current assets (\$384,500,000), current liabilities (\$155,361,000), total liabilities (\$432,207,000), net worth (\$249,091,000) and assets located in the U.S. (\$612,032,000) included in the letter to the Director of the Ohio Environmental Protection Agency, dated December 15, 1994 and signed by Mr. Gary B. Montgomery, AMSTED's Vice President and Chief Financial Officer, to the amounts included in the aforementioned financial statements and found them to be in agreement. We have subtracted the amount of tangible assets from the amount of net worth included in the aforementioned financial statements and compared the difference to the amount indicated as tangible net worth (\$238,230,000) in Mr. Montgomery's letter and found it to be in agreement. We have added the amount of net loss to the amount of depreciation, depletion and amortization included in the aforementioned financial statements and compared the sum to the amounts indicated in item 10 ((\$13,597,000)), (\$65,310,000 before the cumulative effect of accounting changes).

The above agreed-upon procedures are substantially less in scope than an audit, the objective of which is the expression of an opinion on the information contained in the above referenced letter. Accordingly, we do not express such an opinion.

In connection with these procedures, nothing came to our attention that caused us to believe that the amounts of current assets, current liabilities, total liabilities, net worth, assets located in the U.S., tangible net worth and the sum of net loss, depreciation, depletion and amortization (both before and after the cumulative effect of accounting changes) included in the December 15, 1994 letter signed by Mr. Montgomery should be adjusted. Had we performed additional procedures or had we made an audit of the information contained in the above referenced letter, other matters might have come to our attention that would have been reported to you.

December 20, 1994
The Board of Directors of
AMSTED Industries Incorporated



This report is intended solely for the information and use of the Board of Directors and management of AMSTED Industries Incorporated and the Director of the Ohio Environmental Protection Agency.

Pricewaterhouse LLP

AMSTED INDUSTRIES

INCORPORATED

44TH FLOOR • BOULEVARD TOWERS SOUTH
205 NORTH MICHIGAN AVENUE • CHICAGO, ILLINOIS • 60601

LAW DEPARTMENT

DIRECT DIAL NUMBER

(312) 819-8409

TELECOPIER (312) 819-8484

December 15, 1994

Director of the Ohio
Environmental Protection Agency
P.O. Box 1049
1800 Watermark Drive
Columbus, Ohio 43266-0149

RE: Letter for Chief Financial Officer
to Demonstrate Liability and Closure/Post Closure Coverage
American Steel Foundries
Division of AMSTED Industries Incorporated
1001 East Broadway
Alliance, Ohio 44601
EPA I.D. #OHD 981090418 and

American Steel Foundries Sebring Landfill
Lake Park Boulevard and Heacock Road
Smith Township, Mahoning County, Ohio
EPA I.D. # OHD 017497587

Dear Sir:

I am the chief financial officer of AMSTED Industries Incorporated; 205 North Michigan Avenue; Chicago, Illinois 60601. This letter is in support of the use of the financial test to demonstrate financial responsibility for liability coverage and closure care as specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code.

The firm identified above is the owner or operator of the following facilities for which liability coverage for both sudden and nonsudden accidental occurrences is being demonstrated through the financial test specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code:

Proposed Mount Athos Landfill
Griffin Pipe Products Company
Adams Street
P.O. Box 740
Lynchburg, VA 24505

Amsted
INDUSTRIES

Director of Ohio
Environmental Protection Agency
December 15, 1994
Page 2 -

American Steel Foundries
1001 East Broadway
Alliance, Ohio 44601
EPA I.D.# OHD 981090418

American Steel Foundries Sebring Landfill
Lake Park Boulevard and Heacock Road
Smith Township, Mahoning County, Ohio
EPA I.D.# OHD 017497587

Diamond Chain Company
402 Kentucky Avenue
Indianapolis, IN 46207
EPA I.D.# IND 006067880

Griffin Pipe Products Company
Adams Street-Upper Basin
Lynchburg, VA 24501
EPA I.D.# VAD 065417008

Griffin Pipe Products Company
1100 West Front Street
Florence, NJ 08518
EPA I.D. # NJD 003951985

The firm identified above guarantees, through the guarantee specified in rules 3745-55-40 through 3745-55-51 and 3745-66-40 through 3745-66-48 of the Administrative Code, liability coverage for both sudden and nonsudden accidental occurrences at the following facilities owned or operated by the following: The firm identified above is the direct or higher-tier parent corporation of the owner or operator: None

1. The firm identified above owns or operates the following facilities for which financial assurance for closure or post-closure care or liability coverage is demonstrated through the financial test specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code. The current closure and/or post-closure cost estimate covered by the test are shown for each facility:

Mount Athos Closure Cost	\$ 1,945,600
Mount Athos Post-Closure Cost	\$ 614,400
ASF Sebring Closure Cost	\$ 1,550,050
ASF Sebring Post-Closure Cost	\$ 1,056,000

ASF Alliance EAF Baghouse Area	
Closure Cost	\$ 85,000
ASF Alliance Areas A & B	
Closure Cost	\$ 30,000
DC Indianapolis Closure Cost	\$ 55,000
GPP Lynchburg Closure Cost	\$ 5,376

2. The firm identified above guarantees, through the guarantee specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code, the closure and post-closure care or liability coverage of the following facilities owned or operated by the guaranteed party. The current cost estimates for the closure or post-closure so guaranteed are shown for each facility: None

3. The firm identified above is demonstrating financial assurance for the closure or post-closure care of the following facilities through the use of a test equivalent or substantially equivalent to the financial test specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 and 3745-66-48 of the Administrative Code. The current closure and/or post-closure cost estimates covered by such a test are shown for each facility: None

4. The firm identified above owns or operates the following hazardous waste management facilities for which financial assurance for closure or, if a disposal facility, post-closure care, is not demonstrated to the director through the financial test or any other financial assurance mechanisms specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code. The current closure and/or post-closure cost estimates not covered by such financial assurance are shown for each facility: None

5. This firm is the owner or operator of the following UIC facilities for which financial assurance for plugging and abandonment is required under Chapter 3745-34 of the Administrative Code. The current closure cost estimates as required by Chapters 3745-34, 3745-55 and 3745-66 of the Administrative Code are shown for each facility: None

This firm is not required to file a Form 10K with the securities and exchange commission (SEC) for the latest fiscal year.

The fiscal year of this firm ends on September 30. The figures for the following items marked with an asterisk are derived from the firm's independently audited, year-end financial statements for the latest completed fiscal year, ended September 30, 1994.

Part B. Closure and Post-Closure Care and Liability Coverage

1. Sum of current closure and post-closure cost estimates
(total of all cost estimates listed above). \$ 5,341,426

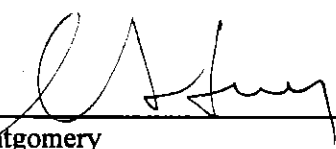
- | | | |
|------|---|-------------------------------------|
| 2. | Amount of annual aggregate liability coverage to be demonstrated. | <u>\$ 8,000,000</u> |
| 3. | Sum of lines 1 and 2. | <u>\$ 13,341,426</u> |
| *4. | Total liabilities (if any portion of your closure or post-closure cost estimates is included in your total liabilities, you may deduct that portion from this line and add that amount to lines 5 and 6). | <u>\$432,207,000</u> |
| *5. | Tangible net worth. | <u>\$238,230,000</u> |
| *6. | Net worth. | <u>\$249,091,000</u> |
| *7. | Current assets. | <u>\$384,500,000</u> |
| *8. | Current liabilities. | <u>\$155,361,000</u> |
| 9. | Net working capital (line 7 minus line 8). | <u>\$229,139,000</u> |
| *10. | The sum of net income plus depreciation, depletion, and amortization. | <u>(\$13,597,000)⁽¹⁾</u> |
| | (1) \$65,310,000 Based on income before cumulative effect of accounting changes. | |
| *11. | Total assets in U.S. (required only if less than 90% of assets are located in the U.S.). | <u>\$612,032,000</u> |
| 12. | Is line 5 at least \$10 million? | <u>YES</u> |
| 13. | Is line 5 at least 6 times line 3? | <u>YES</u> |
| 14. | Is line 9 at least 6 times line 3? | <u>YES</u> |
| *15. | Are at least 90% of assets located in the U.S. If not, complete line 16. | <u>No</u> |
| 16. | Is line 11 at least 6 times line 3? | <u>Yes</u> |

Director of Ohio
Environmental Protection Agency
December 15, 1994
Page 5

NEED TWO OF THREE

17. Is line 4 divided by line 6 less than 2.0? YES
18. Is line 10 divided by line 4 greater than 0.1? No
19. Is line 7 divided by line 8 greater than 1.5? YES

I hereby certify that the wording of this letter is identical to the wording specified in paragraph (G) of rule 3745-55-51 of the Administrative Code as such regulations were constituted on the date shown immediately below.



Gary B. Montgomery
Vice President

12/15/94

Date



State of Ohio Environmental Protection Agency

P.O. Box 1049, 1800 WaterMark Dr.
Columbus, Ohio 43266-0149
4) 644-3020
FAX (614) 644-2329

To Barb

George V. Voinovich
Governor

Donald R. Schregardus
Director

January 25, 1994

Re: Amsted Industries, Inc.
Alliance facility OHD987090418
Sebring facility OHD017497587

Edward J. Brosius
Assistant General Counsel &
Assistant Secretary
Amsted Industries, Inc.
44th Floor Boulevard Towers South
Chicago, Illinois 60601

Dear Mr. Brosius:

On January 18, 1994 Ohio EPA conducted a review of the financial assurance documentation on file for the Amsted Industries' Alliance and Sebring landfill facilities referenced above. The facilities were evaluated for compliance with the closure/post-closure cost estimate, financial assurance for closure/post-closure, as well as liability coverage requirements for sudden and non-sudden accidental occurrences as set forth in Ohio Administrative Code (OAC) rules 3745-66-42 through 3745-66-45 and 3745-66-47. Specifically, the Sebring facility (OHD017497587) is required to meet the post-closure financial assurance requirements.

Furthermore, the Sebring facility was evaluated for compliance with the financial assurance related conditions set forth in Section V.D.4 of the Consent Order, United States v. Amsted Industries, Inc. d/b/a American Steel Foundries, Civil No. C87-1284A, entered into December 1, 1992. The Consent Order required Amsted Industries to submit to U.S. EPA and Ohio EPA certification that Amsted Industries has established financial assurance for closure and post-closure care of and liability coverage for the Sebring facility in accordance with 40 C.F.R. 265.143 through 265.145 and 265.147 and OAC rules 3745-66-43 through 3745-66-47.

In addition, the Alliance facility was evaluated for compliance with the financial assurance related conditions set forth in Section VI, of the Consent Order, State of Ohio v. Amsted Industries d/b/a American Steel Foundries, Case No. 93-CV01107 entered into July 12, 1993 in the Stark County Court of Common Pleas. The Consent Order required Amsted Industries to submit a detailed closure cost estimate for the Alliance facility which included areas A and B, as well as demonstrate financial responsibility for closure and liability coverage, in accordance with OAC rules 3745-66-42, 3745-66-43 and 3745-66-47.



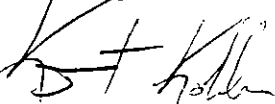
Edward J. Brosius
Amsted Industries, Inc.
January 25, 1994
Page Two

To demonstrate compliance with the financial assurance related conditions for closure/post-closure and liability coverage for the Amsted Industries facilities referenced above, Amsted uses the financial test mechanism as specified in OAC rules 3745-66-43(E), 3745-66-45(E) and 3745-66-47(F). The most recent financial test documentation submitted by Amsted Industries dated December 23, 1993 for the fiscal year ending September 30, 1993 was received by Ohio EPA January 7, 1994 by letter from you.

Upon review of the financial assurance documentation submitted, no violations were found. Therefore, the Amsted Industries, Inc. facilities referenced above are in compliance with OAC rules 3745-66-42 through 3745-66-45 and 3745-66-47. In addition, both facilities are in compliance with the financial assurance related conditions in the above referenced Consent Orders.

If you have any questions in the future, I may be reached at (614) 644-2948.

Sincerely,



Kurt Kohler
Compliance Monitoring & Enforcement Section
Division of Hazardous Waste Management

wp.KK.lcn.Amstedltr.

cc: Laurie Stevenson, Supervisor, DHWM, CM&ES
John Schierberl, DHWM, CM&ES
John Palmer, DHWM, NEDO
Lori Massey, AGO/EES
Catherine McCord, U.S. EPA, Region V

RECEIVED
JAN 31 1994

OFFICE OF RCRA
Waste Management Division
U.S. EPA, REGION V

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WMD RCRA
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AMSTED INDUSTRIES

INCORPORATED

44TH FLOOR - BOULEVARD TOWERS SOUTH
205 NORTH MICHIGAN AVENUE • CHICAGO, ILLINOIS • 60601

A.4.5

LAW DEPARTMENT

DIRECT DIAL NUMBER

(312) 819-8482

TELECOPIER (312) 819-8484

December 23, 1993

Chief, RCRA Enforcement Branch, 5HR-12
U.S. EPA Region V
77 W. Jackson Blvd.
Chicago, IL 60604
Attn: Kimberly Ogle

RE: Letter for Chief Financial Officer
to Demonstrate Liability Coverage
American Steel Foundries
Division of AMSTED Industries Incorporated
1001 East Broadway
Alliance OH 44601
EPA I.D.# OHD 017497587
EPA I.D.# OHD 987090418

RECEIVED

JAN 5

OFFICE OF RCRA
WASTE MANAGEMENT DIV.
EPA REGION V

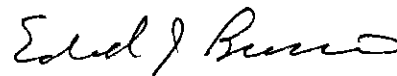
Dear Ms. Ogle:

Enclosed is a December 17, 1993 letter signed by Mr. G.K. Walter whereby AMSTED Industries Incorporated is demonstrating financial responsibility for liability coverage and closure and post-closure care for the subject owned facilities. Also, enclosed is the certifying letter from Price Waterhouse, AMSTED's independent auditor, and the printed copy of AMSTED's fiscal 1993 annual report.

This information is being submitted as required under the consent decree in U.S. v. AMSTED, civil action C87-1284A, Section C., paragraph 6 and Section D., paragraph 4. This information has also been submitted to the USEPA Region V RCRA Enforcement Branch and the Ohio EPA, Division of Solid and Hazardous Waste offices in Columbus and Twinsburg, Ohio.

Please address all inquiries in this matter to the undersigned.

Sincerely,



Edward J. Brosius
Assistant General Counsel
& Assistant Secretary

EJB/mlg
Enclosures

cc: C.A. Ruud

Amsted
INDUSTRIES

AMSTED INDUSTRIES

INCORPORATED

44TH FLOOR - BOULEVARD TOWERS SOUTH
205 NORTH MICHIGAN AVENUE - CHICAGO, ILLINOIS - 60601

LAW DEPARTMENT

DIRECT DIAL NUMBER
(312) 819-8411

TELECOPIER (312) 819-8484

December 17, 1993

Director of the Ohio
Environmental Protection Agency
P.O. Box 1049
1800 Watermark Drive
Columbus, Ohio 43266-0149

RE: Letter for Chief Financial Officer
to Demonstrate Liability and Closure/Post Closure Coverage
American Steel Foundries
Division of AMSTED Industries Incorporated
1001 East Broadway
Alliance, Ohio 44601
EPA I.D. #OHD 987090418 and

American Steel Foundries Sebring Landfill
Lake Park Boulevard and Heacock Road
Smith Township, Mahoning County, Ohio
EPA I.D. # OHD 017497587

Dear Sir:

I am the chief financial officer of AMSTED Industries Incorporated; 205 North Michigan Avenue; Chicago, Illinois 60601. This letter is in support of the use of the financial test to demonstrate financial responsibility for liability coverage and closure care as specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code.

The firm identified above is the owner or operator of the following facilities for which liability coverage for both sudden and nonsudden accidental occurrences is being demonstrated through the financial test specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code:

December 17, 1993

Page 2

Proposed Mount Athos Landfill
Griffin Pipe Products Company
Adams Street
P.O. Box 740
Lynchburg, VA 24505

American Steel Foundries
1001 East Broadway
Alliance, Ohio 44601
EPA I.D.# OHD 987090418

American Steel Foundries Sebring Landfill
Lake Park Boulevard and Heacock Road
Smith Township, Mahoning County, Ohio
EPA I.D.# OHD 017497587

Diamond Chain Company
402 Kentucky Avenue
Indianapolis, IN 46207
EPA I.D.# IND 006067880

Griffin Pipe Products Company
Adams Street-Upper Basin
Lynchburg, VA 24501
EPA I.D.# VAD 065417008

Griffin Pipe Products Company
1100 West Front Street
Florence, NJ 08518
EPA I.D. # NJD 003951985

The firm identified above guarantees, through the guarantee specified in rules 3745-55-40 through 3745-55-51 and 3745-66-40 through 3745-66-48 of the Administrative Code, liability coverage for both sudden and nonsudden accidental occurrences at the following facilities owned or operated by the following: The firm identified above is the direct or higher-tier parent corporation of the owner or operator: None

1. The firm identified above owns or operates the following facilities for which financial assurance for closure or post-closure care or liability coverage is demonstrated through the financial test specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of

December 17, 1993

Page 3

the Administrative Code. The current closure and/or post-closure cost estimate covered by the test are shown for each facility:

Mount Athos Closure Cost	\$ 1,900,000
Mount Athos Post-Closure Cost	\$ 600,000
ASF Sebring Closure Cost	\$ 875,554
ASF Sebring Post-Closure Cost	\$ 619,200
ASF Alliance EAF Baghouse Area Closure Cost	\$ 93,454
ASF Alliance Areas A & B Closure Cost	\$ 157,380
DC Indianapolis Closure Cost	\$ 53,578
GPP Lynchburg Closure Cost	\$ 5,250

2. The firm identified above guarantees, through the guarantee specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code, the closure and post-closure care or liability coverage of the following facilities owned or operated by the guaranteed party. The current cost estimates for the closure or post-closure so guaranteed are shown for each facility: None

3. The firm identified above is demonstrating financial assurance for the closure or post-closure care of the following facilities through the use of a test equivalent or substantially equivalent to the financial test specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 and 3745-66-48 of the Administrative Code. The current closure and/or post-closure cost estimates covered by such a test are shown for each facility: None

4. The firm identified above owns or operates the following hazardous waste management facilities for which financial assurance for closure or, if a disposal facility, post-closure care, is not demonstrated to the director through the financial test or any other financial assurance mechanisms specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code. The current closure and/or post-closure cost estimates not covered by such financial assurance are shown for each facility: None

5. This firm is the owner or operator of the following UIC facilities for which financial assurance for plugging and abandonment is required under Chapter 3745-34 of the Administrative Code. The current closure cost estimates as required by Chapters 3745-34, 3745-55 and 3745-66 of the Administrative Code are shown for each facility: None

This firm is not required to file a Form 10K with the securities and exchange commission (SEC) for the latest fiscal year.

December 17, 1993

Page 4

The fiscal year of this firm ends on September 30. The figures for the following items marked with an asterisk are derived from the firm's independently audited, year-end financial statements for the latest completed fiscal year, ended September 30, 1993.

Part B. Closure and Post-Closure Care and Liability Coverage

- | | |
|---|----------------------|
| 1. Sum of current closure and post-closure cost estimates (total of all cost estimates listed above). | <u>\$ 4,304,416</u> |
| 2. Amount of annual aggregate liability coverage to be demonstrated. | <u>\$ 8,000,000</u> |
| 3. Sum of lines 1 and 2. | <u>\$ 12,304,416</u> |
| *4. Total liabilities (if any portion of your closure or post-closure cost estimates is included in your total liabilities, you may deduct that portion from this line and add that amount to lines 5 and 6). | <u>\$268,073,000</u> |
| *5. Tangible net worth. | <u>\$263,348,000</u> |
| *6. Net worth. | <u>\$275,383,000</u> |
| *7. Current assets. | <u>\$302,396,000</u> |
| *8. Current liabilities. | <u>\$114,787,000</u> |
| 9. Net working capital (line 7 minus line 8). | <u>\$187,609,000</u> |
| *10. The sum of net income plus depreciation, depletion, and amortization. | <u>\$ 38,025,000</u> |
| *11. Total assets in U.S. (required only if less than 90% of assets are located in the U.S.). | <u>Not Required</u> |
| 12. Is line 5 at least \$10 million? | <u>YES</u> |
| 13. Is line 5 at least 6 times line 3? | <u>YES</u> |
| 14. Is line 9 at least 6 times line 3? | <u>YES</u> |

December 17, 1993

Page 5

- *15. Are at least 90% of assets located in the U.S. If not, complete line 16.

YES

16. Is line 11 at least 6 times line 3?

NEED TWO OF THREE

17. Is line 4 divided by line 6 less than 2.0?

YES

18. Is line 10 divided by line 4 greater than 0.1?

YES

19. Is line 7 divided by line 8 greater than 1.5?

YES

I hereby certify that the wording of this letter is identical to the wording specified in paragraph (G) of rule 3745-55-51 of the Administrative Code as such regulations were constituted on the date shown immediately below.

GK Walter
Gerald K. Walter
Vice President

12-17-93
Date

Price Waterhouse



REPORT OF INDEPENDENT ACCOUNTANTS

December 27, 1993

To the Board of Directors of
AMSTED Industries Incorporated

We have audited, in accordance with generally accepted auditing standards, the consolidated statement of financial position of AMSTED Industries Incorporated (AMSTED) and its subsidiaries as of September 30, 1993 and the related consolidated statements of results of operations and of cash flows for the fiscal year then ended, and have issued our report thereon dated October 20, 1993.

For purposes of this letter, we have compared the amounts of current assets (\$302,396,000), current liabilities (\$114,787,000), total liabilities (\$268,073,000) and net worth (\$275,383,000) included in the letter to the Ohio Environmental Protection Agency, dated December 17, 1993 and signed by Mr. G.K. Walter, AMSTED's Vice President and Chief Financial Officer, to the amounts included in the aforementioned financial statements. We have subtracted the amount of intangible assets from the amount of net worth included in the aforementioned financial statements and compared the difference to the amount indicated as tangible net worth (\$263,348,000) in Mr. Walter's letter and found them to be in agreement. We added net income and depreciation, depletion and amortization included in the aforementioned financial statements and compared the total (\$38,025,000) to the amount indicated as such in Mr. Walter's letter and found them to be in agreement. Finally, we calculated 90 percent of AMSTED's total consolidated assets included in the aforementioned financial statements and compared the amount calculated to total assets in the U.S. In connection with these procedures, nothing came to our attention that caused us to believe that the amounts of current assets, current liabilities, total liabilities, net worth, tangible net worth, and the sum of net income and depreciation, depletion and amortization as indicated in item 10 and the "yes" answer to item 15 included in the December 17, 1993 letter signed by Mr. Walter should be adjusted.

This report is intended solely for the information and use of the Board of Directors and management of AMSTED Industries Incorporated and the Ohio Environmental Protection Agency.

Price Waterhouse



State of Ohio Environmental Protection Agency

P.O. Box 1049, 1800 WaterMark Dr.
Columbus, Ohio 43266-0149
(614) 644-3020
FAX (614) 644-2329

TRACKING - DWM, CMBS
TO GO ON: ☒ RCRIS ☐ FO LOG ☐ USEPA LOG ☐ CJ LOG ☐ FILE
ENTERED: ☒ RCRIS ☐ FO LOG ☐ USEPA LOG ☐ CJ LOG ☐ ONLY
RCRIS ENTRY CODES: (EVALUATION) _____ (ENFORCEMENT) 021
CEI ☐ CI ☐ OTHER _____ INITIAL NOV ☐ FOLLOW-UP NOV ☒
FULL RTC ☐ PARTIAL RTC ☐ LDR ☐ SENT TO USEPA: YES ☐ NO ☐

Governor

Donald R. Schregardus
Director

August 18, 1993

RE: **AMSTED INDUSTRIES, INC.**
DBA AMERICAN STEEL FOUNDRIES
(SEBRING LANDFILL)
OHD017497587
FINANCIAL ASSURANCE
Second Notice of Violation

Mr. Edward J. Brosius
Assistant General Counsel
Amsted Industries, Incorporated
44th Floor - Boulevard Towers South
205 North Michigan Avenue
Chicago, IL 60601

RECEIVED
WMD RCRA
RECORD CENTER *Paul B*
SEP 11 1993

Dear Mr. Walter:

On July 23, 1993 and August 2, 1993 Ohio EPA received responses (dated July 19, 1993 and July 29, 1993, respectively) to my June 22, 1993 financial assurance Notice of Violation letter to Mr. Gerald K. Walter. The facility was in violation of OAC rule 3745-66-42 because the facility failed to adequately update its closure cost estimate as required, specifically the 1991 closure cost estimate of \$2,252,000.00 and the 1992 closure cost estimate decrease of \$900,000.00. It was also noted in the June 22, 1993 NOV of a discrepancy in the January 1993 closure plan.

The July 19, 1993 letter included a July 14, and July 19, 1993 letter from RMT to American Steel Foundries which explained the discrepancy in the Section 12 and Appendix L of the Landfill Closure Plan. The July 29, 1993 letter included a revised CFO letter, special report from the auditor (dated July 27, 1993) and the July 19, 1993 letter from Edward J. Brosius.

After review of the documentation submitted, the facility remains in violation of:

OAC rule 3745-66-42. The facility has again failed to adequately update its closure cost estimate. The owner or operator must update the closure cost estimate for inflation. The adjustment must be made by recalculating the closure cost


Edward J. Brosius
Amsted Industries, Incorporated
Page Two

in current dollars of by using an inflation factor derived from the most recent "implicit Price Deflator of Gross National Product".

The closure/post-closure cost estimate included in the CFO letter list the estimates included in the unapproved closure plan. This means the closure cost estimate has decreased from a 1991 closure cost estimate of \$900,000.00 and to the estimate listed in the revised July 20, 1993 CFO letter of \$848,405.00. The documentation submitted does not explain the decreased closure cost estimates. Please explain why the closure cost estimate has decreased.

It is requested that documentation demonstrating abatement of the above violation be submitted to this office within thirty (30) days of receipt of this letter. If you have any questions, I may be reached at (614) 644-2934.

Sincerely,



Tina Jennings
Compliance Monitoring and Enforcement Section
Division of Hazardous Waste Management

cc: Laurie Stevenson, CM&ES, DHWM
Dave Stroh, CM&ES, DHWM
Dave Wertz, DHWM, NEDO

AMSTED INDUSTRIES

INCORPORATED

44TH FLOOR - BOULEVARD TOWERS SOUTH
205 NORTH MICHIGAN AVENUE • CHICAGO, ILLINOIS • 60601

LAW DEPARTMENT

DIRECT DIAL NUMBER
(312) 819-8482

TELECOPIER (312) 819-8484

July 29, 1993

RECEIVED
JUL 30 1993

**OFFICE OF RCRA
WASTE MANAGEMENT DIV
EPA, REGION I**

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Chief, RCRA Enforcement Branch, 5HR-12
U.S. EPA Region V
77 W. Jackson Blvd.
Chicago, IL 60604
Attn: Kimberly Ogle

RE: Letter for Chief Financial Officer
to Demonstrate Liability Coverage
American Steel Foundries
Division of AMSTED Industries Incorporated
1001 East Broadway
Alliance, Ohio 44601
EPA I.D. # OHD 987090418

American Steel Foundries Sebring Landfill
Lake Park Boulevard and Heacock Road
Smith Township, Mahoning County, Ohio
EPA I.D. # OHD 017497587

Dear Ms. Ogle:

In reply to Ms. Tina Jennings of Ohio EPA letter of June 22, 1993 and further to my reply of July 19, 1993, copies enclosed, enclosed is a July 20, 1993 letter signed by Mr. Gerald K. Walter whereby AMSTED Industries Incorporated is demonstrating financial responsibility for liability coverage and closure and post-closure care for the subject owned facility. Also, enclosed is the certifying letter from Price Waterhouse, AMSTED's independent auditor. The printed copy of AMSTED's fiscal 1992 annual report was previously submitted.

Amsted
INDUSTRIES

July 29, 1993

Page 2

This information is being submitted as required under the consent decree in U.S. v. AMSTED, civil action C87-1284A, Section C., paragraph 6 and Section D., paragraph 4. This information has also been submitted to the USEPA Office of Regional Counsel and the Ohio EPA, Division of Solid and Hazardous Waste offices in Columbus and Twinsburg, Ohio.

Please address all inquiries in this matter to the undersigned.

Sincerely,

A handwritten signature in dark ink, appearing to read "Edd J Brosius". The signature is fluid and cursive, with the first name "Edd" being more prominent than the last name "Brosius".

Edward J. Brosius
Assistant General Counsel
& Assistant Secretary

EJB/kda
Enclosure

AMSTED INDUSTRIES

INCORPORATED

44TH FLOOR • BOULEVARD TOWERS SOUTH
205 NORTH MICHIGAN AVENUE • CHICAGO, ILLINOIS • 60601

LAW DEPARTMENT

DIRECT DIAL NUMBER

(312) 819-8482

TELECOPIER (312) 819-8484

July 20, 1993

Director of the Ohio
Environmental Protection Agency
P.O. Box 1049
1800 Watermark Drive
Columbus, Ohio 43266-0149

RE: Letter for Chief Financial Officer
to Demonstrate Liability Coverage
American Steel Foundries
Division of AMSTED Industries Incorporated
1001 East Broadway
Alliance, Ohio 44601
EPA I.D. #OHD 987090418 and

American Steel Foundries Sebring Landfill
Lake Park Boulevard and Heacock Road
Smith Township, Mahoning County, Ohio
EPA I.D. # OHD 017497587

Dear Sir:

I am the chief financial officer of AMSTED Industries Incorporated; 205 North Michigan Avenue; Chicago, Illinois 60601. This letter is in support of the use of the financial test to demonstrate financial responsibility for liability coverage and closure care as specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code.

The firm identified above is the owner or operator of the following facilities for which liability coverage for both sudden and nonsudden accidental occurrences is being demonstrated through the financial test specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code:

American Steel Foundries
1001 East Broadway
Alliance, Ohio 44601
EPA I.D.# OHD 987090418

American Steel Foundries Sebring Landfill
Lake Park Boulevard and Heacock Road
Smith Township, Mahoning County, Ohio
EPA I.D.# OHD 017497587

Diamond Chain Company
402 Kentucky Avenue
Indianapolis, IN 46207
EPA I.D.# IND 006067880

Griffin Pipe Products Company
Adams Street-Upper Basin
Lynchburg, VA 24501
EPA I.D.# VAD 065417008

Griffin Pipe Products Company
1100 West Front Street
Florence, NJ 08518
EPA I.D. # NJD 003951985

The firm identified above guarantees, through the guarantee specified in rules 3745-55-40 through 3745-55-51 and 3745-66-40 through 3745-66-48 of the Administrative Code, liability coverage for both sudden and nonsudden accidental occurrences at the following facilities owned or operated by the following: The firm identified above is the direct or higher-tier parent corporation of the owner or operator: None

1. The firm identified above owns or operates the following facilities for which financial assurance for closure or post-closure care or liability coverage is demonstrated through the financial test specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code. The current closure and/or post-closure cost estimate covered by the test are shown for each facility:

ASF Sebring Closure Cost	\$ 848,405.
Post-Closure Cost	\$ 600,000.
ASF Alliance Closure Cost	\$ 90,556.

July 20, 1993

Page 3

DC Indianapolis Closure Cost	\$ 50,000.
GPP Lynchburg Closure Cost	\$ 5,000.

2. The firm identified above guarantees, through the guarantee specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code, the closure and post-closure care or liability coverage of the following facilities owned or operated by the guaranteed party. The current cost estimates for the closure or post-closure so guaranteed are shown for each facility: None

3. The firm identified above is demonstrating financial assurance for the closure or post-closure care of the following facilities through the use of a test equivalent or substantially equivalent to the financial test specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 and 3745-66-48 of the Administrative Code. The current closure and/or post-closure cost estimates covered by such a test are shown for each facility: None

4. The firm identified above owns or operates the following hazardous waste management facilities for which financial assurance for closure or, if a disposal facility, post-closure care, is not demonstrated to the director through the financial test or any other financial assurance mechanisms specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code. The current closure and/or post-closure cost estimates not covered by such financial assurance are shown for each facility: None

5. This firm is the owner or operator of the following UIC facilities for which financial assurance for plugging and abandonment is required under Chapter 3745-34 of the Administrative Code. The current closure cost estimates as required by Chapters 3745-34, 3745-55 and 3745-66 of the Administrative Code are shown for each facility: None

This firm is not required to file a Form 10K with the securities and exchange commission (SEC) for the latest fiscal year.

The fiscal year of this firm ends on September 30. The figures for the following items marked with an asterisk are derived from the firm's independently audited, year-end financial statements for the latest completed fiscal year, ended September 30, 1992.

Part B. Closure and Post-Closure Care and Liability Coverage

1. Sum of current closure and post-closure cost estimates (total of all cost estimates listed above).	<u>\$1,593,961</u>
---	--------------------

July 20, 1993

Page 4

2. Amount of annual aggregate liability coverage to be demonstrated.	<u>\$8,000,000</u>
3. Sum of lines 1 and 2.	<u>\$9,593,961</u>
*4. Total liabilities (if any portion of your closure or post-closure cost estimates is included in your total liabilities, you may deduct that portion from this line and add that amount to lines 5 and 6).	<u>\$271,495,000</u>
*5. Tangible net worth.	<u>\$237,413,000</u>
*6. Net worth.	<u>\$250,622,000</u>
*7. Current assets.	<u>\$285,570,000</u>
*8. Current liabilities.	<u>\$117,812,000</u>
9. Net working capital (line 7 minus line 8).	<u>\$167,758,000</u>
*10. The sum of net income plus depreciation, depletion, and amortization.	<u>\$ 34,545,000</u>
*11. Total assets in U.S. (required only if less than 90% of assets are located in the U.S.).	<u>\$458,563,000</u>
12. Is line 5 at least \$10 million?	<u>YES</u>
13. Is line 5 at least 6 times line 3?	<u>YES</u>
14. Is line 9 at least 6 times line 3?	<u>YES</u>
*15. Are at least 90% of assets located in the U.S. If not, complete line 16.	<u>NO</u>
16. Is line 11 at least 6 times line 3?	<u>YES</u>

NEED TWO OF THREE

17. Is line 4 divided by line 6 less than 2.0? YES
18. Is line 10 divided by line 4 greater than 0.1? YES
19. Is line 7 divided by line 8 greater than 1.5? YES

I hereby certify that the wording of this letter is identical to the wording specified in paragraph (G) of rule 3745-55-51 of the Administrative Code as such regulations were constituted on the date shown immediately below.

GK Walter
Gerald K. Walter
Vice President

7-10-93
Date

Price Waterhouse



REPORT OF INDEPENDENT ACCOUNTANTS

July 27, 1993

To the Board of Directors of
AMSTED Industries Incorporated

We have audited, in accordance with generally accepted auditing standards, the consolidated statement of financial position of AMSTED Industries Incorporated (AMSTED) and its subsidiaries as of September 30, 1992 and the related consolidated statements of results of operations and of cash flows for the fiscal year then ended, and have issued our report thereon dated October 21, 1992.

For purposes of this letter, we have compared the amounts of current assets (\$285,570,000), current liabilities (\$117,812,000), total liabilities (\$271,495,000), net worth (\$250,622,000) and total assets in the U.S. (\$458,563,000) included in the letter to the Ohio Environmental Protection Agency, dated July 20, 1993 and signed by Mr. G.K. Walter, AMSTED's Vice President and Chief Financial Officer, to the amounts included in the aforementioned financial statements. We have subtracted the amount of intangible assets from the amount of net worth and compared the difference to the amount indicated as tangible net worth (\$237,413,000) in Mr. Walter's letter and found them to be in agreement. We added net income and depreciation, depletion and amortization and compared the total (\$34,545,000) to the amount indicated as such in Mr. Walter's letter and found them to be in agreement. Finally, we calculated 90 percent of AMSTED's total consolidated assets included in the aforementioned financial statements and compared the amount calculated to total assets in the U.S. In connection with these procedures, nothing came to our attention that caused us to believe that the amounts of current assets, current liabilities, total liabilities, net worth, total assets in the U.S., tangible net worth, and the sum of net income and depreciation, depletion and amortization as indicated in item 10 and the "no" answer to item 15 included in the July 20, 1993 letter signed by Mr. Walter should be adjusted.

This report is intended solely for the information and use of the Board of Directors and management of AMSTED Industries Incorporated and the Ohio Environmental Protection Agency.

Price Waterhouse

ENV -
FINAN
RESP

AMSTED INDUSTRIES

INCORPORATED

44TH FLOOR - BOULEVARD TOWERS SOUTH
205 NORTH MICHIGAN AVENUE - CHICAGO, ILLINOIS - 60601

LAW DEPARTMENT

DIRECT DIAL NUMBER

(312) 819-8482

TELECOPIER (312) 819-8484

July 19, 1993

Tina Jennings
Compliance Monitoring and Enforcement Section
Division of Hazardous Waste Management
Ohio EPA
PO Box 1049, 1800 Watermark Drive
Columbus, Ohio 43266-0149

Re: American Steel Foundries
Sebring Landfill
OHD017497587

Dear Ms. Jennings:

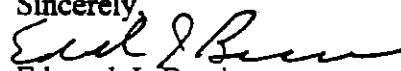
This is in reply to your letter of June 22, 1993 to Mr. Gerald K. Walter.

The December 31, 1992 letter from Mr. Walter demonstrating financial assurance for closure/post closure and liability of the subject facility was based on closure/post closure cost estimates current at the time of the letter. Subsequently, when RMT, Inc. completed the closure plan for the subject facility in the January 1993 document, updated closure cost estimates were prepared. Copies of letters from RMT dated July 14 and 19, 1993 and a May 1993 Table 1 reflecting the updated closure and post closure cost estimates are enclosed.

An updated financial responsibility letter is being prepared and will be forwarded to you shortly.

Please address any questions to the undersigned.

Sincerely,



Edward J. Brosius

Assistant General Counsel
& Assistant Secretary

cc: G.K. Walter
C. Ruud

Amsted
INDUSTRIES



999 Plaza Drive
Suite 100
Schaumburg, IL 60173
Phone: 708-995-1500
FAX: 708-995-1900

to EJB. as info

July 14, 1993

Mr. Chuck Rued
American Steel Foundries
10 South Riverside Plaza
10th Floor
Chicago, IL 60606

CHC 7/16/93

cc: VTH.

RECEIVED
JUL 16 1993
LAW DEPT.

Dear Chuck,

As you informed us by telephone yesterday, a discrepancy has been noted by the Ohio EPA in the estimated closure costs for the Alliance facility landfill between Section 12 and Appendix L of the Landfill Closure Plan (\$934,000.00 vs \$848,405.00, respectively).

Appendix L is a detailed listing of the estimated closure costs. As you will note on page 4, item #157 is a 10% contingency factor. In the original draft, RMT had added the 10% contingency to the cumulative sub-total of \$848,405.00. The new total, \$934,000.00, was listed as the estimated closure cost in Section 12 of the Landfill Closure Plan.

During final client review, American Steel Foundries opted to remove the 10% contingency factor from the total (please note that line #157 in Appendix L has a value of \$0.00). However, the old total of \$934,000.00 in Section 12 was not changed to reflect the latest revision. This number should be \$848,405.00.

Please call if you have any further questions.

Very truly yours,

Mike Slattery
Mike Slattery
Program Manager



999 Plaza Drive
Suite 100
Schaumburg, IL 60173
Phone: 708-995-1500
FAX: 708-995-1900

July 19, 1993

Mr. Chuck Ruud
American Steel Foundries
10 South Riverside Plaza
10th Floor
Chicago, Illinois 60606

Dear Mr. Ruud,

Per your request, RMT has reviewed the post-closure costs in the Landfill Closure Plan for American Steel Foundries, Alliance, Ohio. There is no discrepancy between the post-closure costs listed in Section 12 of the Landfill Closure Plan and Appendix L. Appendix L lists the total cost for years 1 through 30 at \$600,400.00. Section 12 lists the post-closure cost for year 1 at \$56,000 and the remaining years 2 through 30, at \$544,000.00. The total in Section 12, \$600,000, agrees with Appendix L.

Please call if you have any further questions.

Very truly yours,

Mary Lynn Hall
Project Manager

TABLE 1
CLOSURE COST ESTIMATE
ASF - BROADWAY STREET FACILITY, ALLIANCE, OHIO

UNIT OF MAJOR ACTIVITY	TASK	UNIT	QUANTITY	UNIT COST	TOTAL COST
CONTRACTOR IMPLEMENTATION					
Mobilization	—	Lump Sum	1	\$1,000	\$1,000
Labor and Equipment	Excavation, decontamination and backfilling beneath the baghouse	Days	5	\$2,500	\$12,500
Decontamination Pad Construction	Construction and dismantling of the decontamination pad	Lump Sum	1	\$2,500	\$2,500
Concrete Pad Construction	Concrete pad and curbing construction	Lump Sum	1	\$10,000	\$10,000
RESIDUALS MANAGEMENT					
Solid Hazardous Waste	Off-site transport and treatment of solid wastes	Cubic Yards	90	\$300	\$27,000
Rinseate	Off-site transport and treatment of rinseate	Gallons	110	\$0.40	\$44.00
DOCUMENTATION ACTIVITIES					
On-Site Engineering Documentation	—	Lump Sum	1	\$5,000	\$5,000
Soil Sampling	—	Lump Sum	1	\$6,000*	\$6,000*
Soil Analysis	—	Sample	38*	\$150*	\$5,700*
Rinseate Analysis	—	Sample	2	\$2,000	\$4,000
Documentation Report	—	Lump Sum	1	\$5,000	\$5,000
CLOSURE COST					\$78,744*
Contingency	—	Lump Sum	1	15%	\$11,812*
TOTAL CLOSURE COSTS					\$90,556*

AMSTED INDUSTRIES

INCORPORATED

44TH FLOOR - BOULEVARD TOWERS SOUTH
205 NORTH MICHIGAN AVENUE • CHICAGO, ILLINOIS • 60601

LAW DEPARTMENT

DIRECT DIAL NUMBER

(312)819-8486

TELECOPIER (312) 819-8484

January 7, 1993

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Chief, RCRA Enforcement Branch, 5HR-12
U.S. EPA Region V
77 W. Jackson Blvd.
Chicago, IL 60604
Attn: Kimberly Ogle

RECEIVED

JAN 11 1993

OFFICE OF RCRA
Waste Management Division
U.S. EPA, REGION V

Re: Letter for Chief Financial Officer
to Demonstrate Liability Coverage
American Steel Foundries
Division of AMSTED Industries Incorporated
1001 East Broadway
Alliance, Ohio 44601
EPA I.D.# OHD 017497587
EPA I.D.# OHD 987090418

Dear Ms. Ogle:

Enclosed is a December 31, 1992 letter signed by Mr. Walter whereby AMSTED Industries Incorporated is demonstrating financial responsibility for liability coverage and closure and post-closure care for the subject owned facility. Also, enclosed is the certifying letter from Price Waterhouse, AMSTED's independent auditor, and the printed copy of AMSTED's fiscal 1992 annual report.

This information is being submitted as required under the consent decree in U.S. v. AMSTED, civil action C87-1284A, Section C., paragraph 6 and Section D., paragraph 4. This information has also been submitted to the USEPA Office of Regional Counsel and the Ohio EPA, Division of Solid and Hazardous Waste offices in Columbus and Twinsburg, Ohio.

Please address all inquiries in this matter to the undersigned.

Sincerely,

David S. O'Neill
David S. O'Neill
Environmental Attorney

DSO:krl
Enclosures
cc: C. A. Ruud
E.J. Brosius

Amsted
INDUSTRIES

AMSTED INDUSTRIES

INCORPORATED

44TH FLOOR - BOULEVARD TOWERS SOUTH
205 NORTH MICHIGAN AVENUE • CHICAGO, ILLINOIS • 60601

LAW DEPARTMENT

DIRECT DIAL NUMBER

(312) 819-8486

TELEFAX (312) 819-8484

December 31, 1992

RECEIVED
DEC 31 1992

OFFICE OF RCRA
Waste Management Division
U.S. EPA. REGION IV

Chief, RCRA Enforcement Branch, 5HR-12
U.S. EPA Region V
77 W. Jackson Blvd.
Chicago, IL 60604
Attn: Kimberly Ogle

Re: Letter for Chief Financial Officer
to Demonstrate Liability Coverage
American Steel Foundries
Division of AMSTED Industries Incorporated
1001 East Broadway
Alliance, Ohio 44601
EPA I.D.# OHD 017497587

Dear Sir:

Enclosed is a December 31, 1992 letter signed by Mr. Walter whereby AMSTED Industries Incorporated is demonstrating financial responsibility for liability coverage and closure and post-closure care for the subject owned facility. Also, enclosed is the certifying letter from Price Waterhouse, AMSTED's independent auditor, and the printed copy of AMSTED's fiscal 1992 annual report.

Please address all inquiries in this matter to the undersigned.

Sincerely,



David S. O'Neill
Environmental Attorney

DSO:krl
Enclosures
cc: C. A. Ruud

AMSTED INDUSTRIES

INCORPORATED

44TH FLOOR - BOULEVARD TOWERS SOUTH
205 NORTH MICHIGAN AVENUE • CHICAGO, ILLINOIS • 60601

LAW DEPARTMENT

DIRECT DIAL NUMBER

(312)819-8411

TELECOPIER (312) 819-8484

December 31, 1992

Director of the Ohio
Environmental Protection Agency
P.O. Box 1049
1800 Watermark Drive
Columbus, Ohio 43266-0149

Re: Letter for Chief Financial Officer
to Demonstrate Liability Coverage
American Steel Foundries
Division of AMSTED Industries Incorporated
1001 East Broadway
Alliance, Ohio 44601
EPA I.D.# OHD 987090418 and

American Steel Foundries Sebring Landfill
Lake Park Boulevard and Heacock Road
Smith Township, Mahoning County, Ohio
EPA I.D.# OHD 017497587

Dear Sir:

I am the chief financial officer of AMSTED Industries Incorporated; 205 North Michigan Avenue; Chicago, Illinois 60601. This letter is in support of the use of the financial test to demonstrate financial responsibility for liability coverage and closure care as specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code.

The firm identified above is the owner or operator of the following facilities for which liability coverage for both sudden and nonsudden accidental occurrences is being demonstrated through the financial test specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code:

American Steel Foundries
1001 East Broadway
Alliance, Ohio 44601
EPA I.D.# OHD 987090418

Amsted
INDUSTRIES

December 31, 1992

Page two

American Steel Foundries Sebring Landfill
Lake Park Boulevard and Heacock Road
Smith Township, Mahoning County, Ohio
EPA I.D.# OHD 017497587

Diamond Chain Company
402 Kentucky Avenue
Indianapolis, IN 46207
EPA I.D.# IND 006067880

Griffin Pipe Products Company
Adams Street-Upper Basin
Lynchburg, VA 24501
EPA I.D.# VAD 065417008

Griffin Pipe Products Company
1100 West Front Street
Florence, NJ 08518
EPA I.D.# NJD 003951985

The firm identified above guarantees, through the guarantee specified in rules 3745-55-40 through 3745-55-51 and 3745-66-40 through 3745-66-48 of the Administrative Code, liability coverage for both sudden and nonsudden accidental occurrences at the following facilities owned or operated by the following: The firm identified above is the direct or higher-tier parent corporation of the owner or operator: None

1. The firm identified above owns or operates the following facilities for which financial assurance for closure or post-closure care or liability coverage is demonstrated through the financial test specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code. The current closure and/or post-closure cost estimate covered by the test are shown for each facility:

ASF Sebring Closure Cost	\$ 900,000
Post-Closure Cost	\$1,200,000
ASF Alliance Closure Cost	\$ 100,000
DC Indianapolis Closure Cost	\$ 50,000
GPP Lynchburg Closure Cost	\$ 5,000

2. The firm identified above guarantees, through the guarantee specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code, the closure and post-closure care or liability coverage of the following facilities owned or operated by the guaranteed party. The current cost estimates for the closure or post-closure so guaranteed are shown for each facility: None

December 31, 1992
Page three

3. The firm identified above is demonstrating financial assurance for the closure or post-closure care of the following facilities through the use of a test equivalent or substantially equivalent to the financial test specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 and 3745-66-48 of the Administrative Code. The current closure and/or post-closure cost estimates covered by such a test are shown for each facility: None

4. The firm identified above owns or operates the following hazardous waste management facilities for which financial assurance for closure or, if a disposal facility, post-closure care, is not demonstrated to the director through the financial test or any other financial assurance mechanisms specified in rules 3745-55-40 to 3745-55-51 and 3745-66-40 to 3745-66-48 of the Administrative Code. The current closure and/or post-closure cost estimates not covered by such financial assurance are shown for each facility: None

5. This firm is the owner or operator of the following UIC facilities for which financial assurance for plugging and abandonment is required under Chapter 3745-34 of the Administrative Code. The current closure cost estimates as required by Chapters 3745-34, 3745-55 and 3745-66 of the Administrative Code are shown for each facility: None

This firm is not required to file a Form 10K with the securities and exchange commission (SEC) for the latest fiscal year.

The fiscal year of this firm ends on September 30. The figures for the following items marked with an asterisk are derived from the firm's independently audited, year-end financial statements for the latest completed fiscal year, ended September 30, 1992.

Part B. Closure and Post-Closure Care and Liability Coverage

1. Sum of current closure and post-closure cost estimates (total of all cost estimates listed above). \$2,255,000

2. Amount of annual aggregate liability coverage to be demonstrated. \$8,000,000

3. Sum of lines 1 and 2. \$10,255,000

*4. Total liabilities (if any portion of your closure or post-closure cost estimates is included in your total liabilities, you may deduct that portion from this line and add that amount to lines 5 and 6). \$271,495,000

*5. Tangible net worth. \$237,413,000

December 31, 1992
Page four

- | | |
|--|---------------|
| *6. Net worth. | \$250,622,000 |
| *7. Current assets. | \$285,570,000 |
| *8. Current liabilities. | \$117,812,000 |
| 9. Net working capital (line 7 minus line 8). | \$167,758,000 |
| *10. The sum of net income plus depreciation,
depletion, and amortization. | \$34,545,000 |
| *11. Total assets in U.S. (required only if less
than 90% of assets are located in the U.S.). | \$458,563,000 |
| 12. Is line 5 at least \$10 million? | <u>YES</u> |
| 13. Is line 5 at least 6 times line 3? | <u>YES</u> |
| 14. Is line 9 at least 6 times line 3? | <u>YES</u> |
| *15. Are at least 90% of assets located in the U.S.? If not,
complete line 16. | <u>NO</u> |
| 16. Is line 11 at least 6 times line 3? | <u>YES</u> |

Need Two of Three

- | | |
|--|------------|
| 17. Is line 4 divided by line 6 less than 2.0? | <u>YES</u> |
| 18. Is line 10 divided by line 4 greater than 0.1? | <u>YES</u> |
| 19. Is line 7 divided by line 8 greater than 1.5? | <u>YES</u> |

I hereby certify that the wording of this letter is identical to the wording specified in paragraph (G) of rule 3745-55-51 of the Administrative Code as such regulations were constituted on the date shown immediately below.

GK Walter
Gerald K. Walter
Vice President

12-23-92
Date

Price Waterhouse



REPORT OF INDEPENDENT ACCOUNTANTS

December 31, 1992

To the Board of Directors of
AMSTED Industries Incorporated

We have audited, in accordance with generally accepted auditing standards, the consolidated statement of financial position of AMSTED Industries Incorporated (AMSTED) and its subsidiaries as of September 30, 1992 and the related consolidated statements of results of operations and of cash flows for the fiscal year then ended, and have issued our report thereon dated October 21, 1992.

For purposes of this letter, we have compared the amounts of current assets (\$285,570,000), current liabilities (\$117,812,000), total liabilities (\$271,495,000), tangible net worth (\$237,413,000) and total assets in the U.S. (\$458,563,000) included in the letter to the Ohio Environmental Protection Agency, dated December 31, 1992 and signed by Mr. G.K. Walter, AMSTED's Vice President and Chief Financial Officer, to the amounts included in the aforementioned financial statements. We have subtracted the amount of current liabilities from the amount of current assets and compared the difference to the amount indicated as net working capital (\$167,758,000) in Mr. Walter's letter and found them to be in agreement. We have also added the amount of net income to the amount of depreciation, depletion, and amortization and compared the sum to the amount indicated in item 10 (\$34,545,000) in Mr. Walter's letter and found them to be in agreement. Finally, we calculated 90 percent of AMSTED's total consolidated assets included in the aforementioned financial statements and compared the amount calculated to total assets in the U.S. In connection with these procedures, nothing came to our attention that caused us to believe that the amounts of current assets, current liabilities, total liabilities, tangible net worth, total assets in the U.S., net working capital, the sum of net income and depreciation, depletion and amortization as indicated in item 10 and the "no" answer to item 15 included in the December 31, 1992 letter signed by Mr. Walter should be adjusted.

This report is intended solely for the information and use of the Board of Directors and management of AMSTED Industries Incorporated and the Ohio Environmental Protection Agency.

Price Waterhouse



State of Ohio Environmental Protection Agency

P.O. Box 1049, 1800 WaterMark Dr.
Columbus, Ohio 43266-0149
(614) 644-3020
FAX (614) 644-2329

George V. Voinovich
Governor

RECEIVED

JUL 30 1991

OFFICE OF RCRA
Waste Management Division
U.S. EPA, REGION V

June 28, 1991

Re: American Steel Foundries
OHD017497587

Gerald K. Walter
Vice President
AMSTED Industries Incorporated
44th Floor - Boulevard Towers South
205 North Michigan Avenue
Chicago, IL 60601

Dear Mr. Walter:

On June 23, 1991 Ohio EPA conducted a review of the financial assurance and liability coverage documentation on file for the American Steel Foundries, Alliance, Ohio facility referenced above. The facility was evaluated for compliance with the closure/post-closure cost estimate, closure/post-closure financial assurance, and liability coverage requirements as set forth in Ohio Administrative Code (OAC) rules 3745-66-42 through 3745-66-45 and 3745-66-47.

To demonstrate liability coverage for sudden and nonsudden accidental occurrences, AMSTED Industries Incorporated uses a Financial Test as specified in OAC rule 3745-66-47(F). Financial Test documentation for the fiscal year ending September 30, 1990 was received by Ohio EPA on January 8, 1991 from David S. O'Neill of AMSTED Industries Incorporated. No documentation of compliance with OAC rules 3745-66-42 through 3745-66-45 has been received by Ohio EPA.

Review of the Financial Test reveals that the Chief Financial Officer's letter does not meet the wording requirements of OAC rule 3745-55-51(G), in violation of OAC rule 3745-66-47. A copy of the current wording is enclosed. Within thirty (30) days of the date of this letter, please resubmit a revised letter using this wording exactly.

American Steel Foundries remains in violation of OAC rules 3745-66-42 through 3745-66-45 for not establishing and maintaining cost estimates and a financial assurance mechanism for closure/post-closure.

Gerald K. Walter
AMSTED Industries Incorporated
June 28, 1991
Page Two

Thank you for your attention to this matter. If you have any questions, I may be reached at (614) 644-2934.

Sincerely,



Carolyn Reiersen
Hazardous Waste Enforcement Section
Division of Solid and Hazardous Waste Management

Enclosure

cc: Laurie Stevenson, HWES, DSHWM
Ahmed Hawari, DSHWM, NEDO
David S. O'Neill, AMSTED Industries Incorporated, w/enclosure
Pamela Allen, Manager, HWES, DSHWM
Brian Babb, Legal Section



State of Ohio Environmental Protection Agency

P.O. Box 1049, 1800 WaterMark Dr.
Columbus, Ohio 43266-0149

RECEIVED

OFFICE OF RCRA
WASTE MANAGEMENT DIVISION
EPA, REGION V

Richard F. Celeste
Governor

CERTIFIED MAIL

June 22, 1990

Re: American Steel Foundries
OHD017497587
Mahoning County

David S. O'Neill, Law Department
AMSTED Industries Incorporated
44th Floor, Boulevard Towers South
205 North Michigan Avenue
Chicago, Illinois 60601

Dear Mr. O'Neill:

Thank you for your April 9, 1990 letter with attached revised Chief Financial Officer's letter and accountant's reports reflecting the year ending September 30, 1989. This documentation is submitted in accordance with Ohio Administrative Code (OAC) rule 3745-66-47 to demonstrate that AMSTED Industries is able to meet the liability coverage requirements for sudden and nonsudden accidental occurrences for the American Steel Foundries facility referenced above.

I have reviewed the documentation and find that it meets the requirements of OAC rule 3745-66-47, including the wording requirements of OAC rule 3745-55-51(G). Therefore, the American Steel Foundries facility referenced above is currently in compliance with this rule regarding liability coverage for sudden and nonsudden accidental occurrences. 1990 Financial Test documentation must be submitted to Ohio EPA by December 29, 1990.

The facility remains in violation of OAC rules 3745-66-42 through 3745-66-45 as no mechanism to demonstrate financial assurance for closure and post-closure care has been established for the facility.

If you have any questions, please call me at 614/644-2944.

Sincerely,

Carolyn J. Reiersen
RCRA Enforcement Section
Division of Solid and Hazardous Waste Management

cc: Michael Savage, Manager, RCRA Enforcement Section
Debby Berg, DSHWM, NEDO
Catherine McCord, U.S. EPA, Region V



State of Ohio Environmental Protection Agency

J. Box 1049, 1800 WaterMark Dr.
Columbus, Ohio 43266-0149



Richard F. Celeste
Governor

CERTIFIED MAIL

March 13, 1990

Re: American Steel Foundries
OHD017497587
Mahoning County

Edward J. Brosius
Law Department
AMSTED Industries Incorporated
44th Floor
Boulevard Towers South
205 North Michigan Avenue
Chicago, IL 60601

Dear Mr. Brosius:

Thank you for your December 29, 1989, submittal on behalf of the American Steel Foundries Alliance facility referenced above which included a Chief Financial Officer's letter from AMSTED Industries and an accountant's special report reflecting the year ending September 30, 1989. This information was submitted to Ohio EPA to demonstrate that the Alliance facility has and is able to maintain liability coverage in the amount of \$8,000,000 annual aggregate through the use of the Financial Test mechanism in accordance with Ohio Administrative Code (OAC) rule 3745-66-47. I am also in receipt of an October 27, 1989, letter from Philip Schillawski of Squire, Sanders & Dempsey regarding this matter which included Financial Test documentation for AMSTED Industries reflecting the year ending September 30, 1988.

Both of the Chief Financial Officer's letter, however, do not meet the wording requirements found in OAC rule 3745-55-51(G), in violation of OAC rule 3745-66-47. I have enclosed a current copy of this portion of OAC rule 3745-55-51 for your reference. In order for me to evaluate the American Steel Foundries facility's compliance with OAC rule 3745-66-47, a revised Chief Financial Officer's letter that meets the wording requirements of OAC rule 3745-55-51(G) and a copy of the accountant's report found in the 1989 annual report must be submitted to Ohio EPA within thirty (30) days of the date of this letter. Since both Financial Test submittals did not include closure and post-closure financial assurance and Ohio EPA has not received an alternate mechanism for closure and post-closure care, American Steel Foundries remains in violation of OAC rules 3745-66-42 through 3745-66-45.

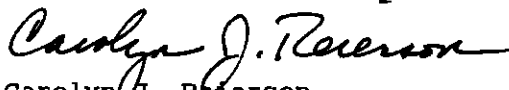
Please note that the Ohio EPA considers the American Steel Foundries facility referenced above to be a hazardous waste facility as defined in OAC rule 3745-50-10(A)(32) and therefore is required to establish and maintain

Edward J. Brosius
March 13, 1990
Page Two

financial assurance for the facility pursuant to OAC rules 3745-66-42 through 3745-66-47. I further note that the Consent Agreement and Final Order under negotiation between U.S. EPA, Region V and AMSTED Industries has not yet been finalized.

If you have any questions, please call me at (614)644-2944.

Sincerely,



Carolyn J. Peterson
RCRA Enforcement Section
Division of Solid and Hazardous Waste Management

CJR/drr/1829S/71-72

cc: Michael Savage, Manager, RCRA Enforcement Section, DSHWM
Debby Berg, DSHWM, NEDO
Catherine McCord, U.S. EPA, Region V
Philip Schillawski, Squire, Sanders & Dempsey



State of Ohio Environmental Protection Agency

P.O. Box 1049, 1800 WaterMark Dr.
Columbus, Ohio 43266-0149

Richard F. Celeste
Governor

September 27, 1989

Re: American Steel Foundries
OHD017497587
Financial Assurance

Paul Limbach
American Steel Foundries
1001 East Broadway
Alliance, Ohio 44601

Dear Mr. Limbach:

On September 26, 1989, I conducted an annual financial record review for the American Steel Foundries facility referenced above. I evaluated its compliance with the financial assurance requirements set forth in Ohio Administrative Code (OAC) rules 3745-66-42 through 3745-66-47. Under these rules, American Steel Foundries must have and maintain cost estimates for closure and post-closure facility care, financial assurance for closure and post-closure care, and liability coverage for sudden and nonsudden accidental occurrences.

As a result of my review, I find that American Steel Foundries has not established such financial assurance and remains in violation of OAC rules 3745-66-42 through 3745-66-47.

I note that these issues and others are currently the subject of litigation between U.S. EPA and Amsted Industries, Inc. d/b/a American Steel Foundries.

Please submit documentation within thirty (30) days of the date of this letter correcting the above violations. If you have questions, please call me at (614) 644-2944.

Sincerely,

Carolyn J. Referson
RCRA Enforcement Section
Division of Solid and Hazardous Waste Management

CJR/kah
Psl.27

cc: Mike Savage, DSHWM
Kevin Bonzo, NEDO
Catherine McCord, U.S. EPA, Region V.

